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Soviet Union

FBIS-SOV-91-209 *29 October 1991*

CONTENTS

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NOTICE TO READERS: The United States Government recognizes the independence of Estonia, Latvia, and Lithuania.

INTERNATIONAL AFFAIRS

Worldwide Issues

Foreign Ministry Spokesman Gives News Briefing *[TASS]* 1
Gorbachev-Bush Summit Previewed *[TASS]* 1
Gorbachev's Meetings in Madrid Previewed 1
Grachev on Bush Talks *[TASS]* 1
Activities Detailed *[TASS]* 1
Bush Gives News Conference *[TASS]* 2
U.S., Soviet Efforts Enable Dialogue *[TASS]* 2
Scene Set for Conference *[TASS]* 3
Preparations for Conference Detailed *[TASS]* 4
IZVESTIYA Previews Summit *[29 Oct]* 4
PRAVDA Previews Conference *[29 Oct]* 5
Observer Views Conference *[TASS]* 6
Pogodin Comments on Meetings *[Moscow International]* 7
Gorbachev Departs for Madrid Conference *[TASS]* 8
Arrives in Madrid *[TASS]* 8
Gorbachev-Bush Talks Begin *[TASS]* 8
G-7, Republican Leaders Conference Continues 8
'Serious' Differences Emerge *[INTERFAX]* 8
Moldovan Delegation Gives Suggestion *[INTERFAX]* 8
Agreement in Principle Reached *[INTERFAX]* 9
Editorial Views Trade, Debt *[IZVESTIYA 26 Oct]* 9
Meeting Concludes *[TASS]* 10
Silayev Remarks on Meeting *[TASS]* 10
Observer Assesses International Conflicts, Role *[KRASNAYA ZVEZDA 26 Oct]* 10

China

PRC Fears 'Chaos' on Border; Troops on Alert *[KOMSOMOLSKAYA PRAVDA 25 Oct]* 11
PRC President's Visit to Pakistan Noted *[Moscow International]* 12

Northeast Asia

Shaposhnikov Receives ROK Ambassador *[TASS]* 12
ROK Ambassador Cited on Credit *[ROSSIYSKAYA GAZETA 26 Oct]* 12
South Korean Bank To Extend Credits *[INTERFAX]* 12
Experts Question Inquiry on KAL Wreckage *[TASS]* 13
Troop Withdrawal From Mongolia Updated *[Moscow Radio]* 13

Near East & South Asia

Talks on POW's in Afghanistan Begin 3 Nov *[INTERFAX]* 14
Mujahidin Trip to Moscow Still Uncertain *[TASS]* 14
Afghan Opposition Figure Expected in Moscow *[TASS]* 14

Saddam Husayn Refuses To Receive 'Arafat *[TASS]* 14
Shamir's Role at Madrid Talks Questioned *[PRAVDA 26 Oct]* 15
KGB Veteran on Nuclear Experts in Mideast *[London AL-HAYAH 25 Oct]* 15

Eastern Europe

Shevardnadze Interviewed on Hungarian Events *[TASS]* 16
VEST Official Explains Organization's Arms *[Moscow TV]* 16

West Europe

Further on Cypriot President's Moscow Visit 17
Delegation-Level Talks Held *[TASS]* 17
Vassiliou Holds News Conference *[TASS]* 17
Madrid Talks Can Help Solve 'Cyprus Knot' *[PRAVDA 28 Oct]* 17
FRG's Genscher on European Integration *[TASS]* 18
Army General in Norway To Strengthen Ties *[TASS]* 18
Economic Fears Slow French Cooperation *[IZVESTIYA 28 Oct]* 18

Latin America & Caribbean

Foreign Ministry on Salvadoran Peace Process *[TASS]* 19
Foreign Ministry on 'Close' Ties With Cuba *[Moscow International]* 20
Commentary Protests Leaving Cuba in 'Lurch' *[SOVETSKAYA ROSSIYA 25 Oct]* 20

NATIONAL AFFAIRS

Supreme Soviet

Legislative Elections for Chairmen To Proceed 22
Ukraine Abstains *[INTERFAX]* 22
Union Council Results *[Radio Rossii]* 22
Short Biography of New Chairman *[TASS]* 22
Soviet of Republics Chairman Elected *[Radio Rossii]* 22
Observer Interviewed on Direction of Legislature *[TASS]* 22

Political & Social

Interrepublic Security Service Council Formed 23
Gorbachev Signs Decree *[ROSSIYSKAYA GAZETA 26 Oct]* 23
Holds First Session *[TASS]* 23
Silayev on Future of Central Ministries *[TASS]* 23
Bakatin Views New Face of Security Service 23
IZVESTIYA Interview *[26 Oct]* 23
Principles of Security Reforms *[IZVESTIYA 26 Oct]* 24
News Conference Reported *[ROSSIYSKAYA GAZETA 26 Oct]* 29
Inquiries Into Causes of State of Emergency 30
'Sensational Announcements' To Come *[Radio Rossii]* 30
Investigator Appraises Coup *[PRAVDA 28 Oct]* 31
Entrepreneurship Council on Privatization *[INTERFAX]* 31
Poll on Trust in Republican Supreme Councils *[INTERFAX]* 32
Opinion Poll on 'Material Prosperity' *[INTERFAX]* 32
TASS Carries Press Review for 29 Oct 32

Economic

Bocharov Devises Plan To Overcome Crisis *[TASS]* 33
Entrepreneurs Form Two Moscow Associations *[INTERFAX]* 33
Reserves Dwindle as Turnover Trade Declines *[PRAVDA 25 Oct]* 34
Weekly Reveals Tax Evasion by Enterprises *[Moscow Radio]* 34
Gavrilov on Western Interest in Oil Fields *[INTERFAX]* 34

'Worsening' Situation in Oil Industry Examined *[INTERFAX]* 34
Poll Analyzes Country's Food Situation *[INTERFAX]* 36

Military

Shaposhnikov Advocates Defense Union *[KRASNAYA ZVEZDA 29 Oct]* 36
Deputy on Problems Facing '16th Republic' *[KRASNAYA ZVEZDA 25 Oct]* 36
Expert Discusses Military Law Reform *[Moscow Radio]* 39
Navy Commander Urges Unity of Black Sea Fleet *[Kiev Radio]* 40
General Supports Civil Defense Reorganization *[Moscow International]* 40
Armed Forces, Market Relations Viewed *[TASS]* 40

BALTIC COUNTRIES

Baltic Affairs

States To Set Up Interparliamentary Assembly *[Tallinn Radio]* 41

Estonia

Ruutel: Baltic MPs Endorse Joint Parliament *[INTERFAX]* 41
Owners Criticize Land Reform Law *[Tallinn Radio]* 41
Parties Ignore Russian Democratic Movement *[BALTFAX]* 41
Economic Delegation Meets U.S. Businessmen *[BALTFAX]* 41

Latvia

Officials Discuss Russian Treaty Ratification *[Riga Radio]* 42
Russian Deputies Ask To End Economic Agreement *[BALTFAX]* 42
Economic Confrontation With Russia Seen *[TASS]* 42
Arms Purchases in USSR Negotiated *[INTERFAX]* 42
Accord To Be Signed With Union Ministries *[INTERFAX]* 43
Forthcoming Foreign Activities Announced *[Riga Radio]* 43

Lithuania

Defense Minister on Integration With Europe *[BALTFAX]* 43
Local KGB Activity Detailed *[INTERFAX]* 43
Independence Party Congress Opens *[Vilnius International]* 44

RSFSR

Fifth Congress of People's Deputies

Russian TV Relays Session Proceedings 45
Yeltsin Delivers Address on Russia's Future *[Russian TV]* 46
Rumyantsev Says Opponents Upset Yeltsin Plans *[TASS]* 55
TASS Summarizes First Day of Session 56
Deputies Approve Candidates for Congress Chief *[TASS]* 56
Khasbulatov Elected Supreme Soviet Chairman *[TASS]* 57
TASS Carries Biography 57
Two Yeltsin Opponents Resign From Parliament *[TASS]* 58
Khasbulatov: Chechen-Ingush Elections Illegal *[INTERFAX]* 58

Federation Affairs

Defense Industry Conversion Committee Founded *[INTERFAX]* 58
Foreign Ministry Supports Reforming Union Ties *[TASS]* 58
'Fears' Voiced About New Russian KGB *[Russian TV]* 58
Procurator on Investigation of Coup Plotters *[TASS]* 59
Democratic Russia Sets Congress for 9-10 Nov *[INTERFAX]* 59

Local Affairs

Chechen-Ingush Finishes Presidential Elections 59
Soviet Issues Resolution *[Radio Rossii]* 59
Dudayev Wins Presidency *[INTERFAX]* 60
Dudayev Sends Message to Yeltsin *[TASS]* 60
Dudayev Cites Stance, Policies *[TASS]* 60
Mordova To Hold Presidential Elections 14 Dec *[Radio Rossii]* 60

External Affairs

Yeltsin Congratulates New Armenian President *[TASS]* 61

International Affairs

Yeltsin, Cypriot President Exchange Views *[TASS]* 61
Rumyantsev Issues Statement on Kuril Islands *[ROSSIYSKAYA GAZETA 19 Oct]* 61

WESTERN REPUBLICS

Moldova

Further on New Supreme Economic Council *[INTERFAX]* 63
Snegur Opposes Unification With Romania *[TASS]* 63
Popular Front Advocates Union With Romania *[Bucharest ROMPRES]* 63
Republic Decides To Control Customs Posts *[INTERFAX]* 63
Official Fails To Solve Dnestr Banking Dispute *[TASS]* 64
Cabinet To Study Consumer Per Capita Budgets *[INTERFAX]* 64
Bank Halts Issue of Money to Russian Republic *[INTERFAX]* 64

Ukraine

Crimean Supreme Soviet Concludes Debates 64
Referendum Law Passed *[INTERFAX]* 64
Enterprise Decision Adopted *[Moscow Radio]* 64
Official on Monetary Policy, Foreign Ties *[INTERFAX]* 65
Further on Decision on USSR Supreme Soviet *[KOMSOMOLSKAYA PRAVDA 26 Oct]* 65
New Foreign Trade Policy Approved *[INTERFAX]* 66
Socialist Party Registered, Program Adopted *[Kiev Radio]* 66
Democratic Movement in Donbass Splits *[Kiev Radio]* 66
Fact-Finding Delegation Sent to Switzerland *[INTERFAX]* 66
Republic To Import Potatoes From Poland *[INTERFAX]* 66

CAUCASUS

Armenia

Inter-Parliamentary Union Membership Sought *[Yerevan Radio]* 67
Curfew Violator Killed; Freight Cars Arrive *[ARMENPRES]* 67
Currency Shortage Noted, Wages Delayed *[PRAVDA 23 Oct]* 67

Azerbaijan

'Intensive Shooting' Reported in NKAO *[TASS]* 67
New Commandant Appointed in Nagorno Karabakh *[Yerevan Radio]* 67
Aliyev Blames Gorbachev for Armenia Conflict *[INTERFAX]* 67
Further on Resumption of Train Travel *[INTERFAX]* 68

Georgia

Troubled Situation Reported in South Ossetia 68
State of Emergency Extended *[Russian TV]* 68
Situation Called 'Alarming' *[TASS]* 68
Bombing of Populated Areas Halted *[TASS]* 68
Skirmish Results in Hostage-Taking *[INTERFAX]* 69
Leader Urges Incorporation in Russia *[Moscow TV]* 69
Rallies Mark Georgian Election Anniversary *[TASS]* 69
Opposition Groups Unite, Expound Aims *[SVOBODNAYA GRUZIYA 18 Oct]* 69
Export Regulations, Restrictions Detailed *[SVOBODNAYA GRUZIYA 16 Oct]* 69
Relations With Ukraine Discussed *[SVOBODNAYA GRUZIYA 16 Oct]* 70

CENTRAL ASIA

Kazakhstan

Nazarbayev Arrives in Britain on Official Visit *[TASS]* 72
States Goals of Visit *[TASS]* 72
Stresses Single Nuclear Management *[London PRESS ASSOCIATION]* 72
Nazarbayev Appoints New Officials *[Alma-Ata Radio]* 72
Anti-Nazarbayev Demonstration Held in Alma-Ata *[Russian TV]* 73

Tajikistan

Islamic Movement Party Holds Congress *[Dushanbe Radio]* 73

Turmenistan

Citizens Vote in Independence Referendum 73
Result Called 'Foregone Conclusion' *[INTERFAX]* 73
Resolution Adopted *[Dushanbe Radio]* 73
President Confirms Results *[INTERFAX]* 73
Official Denies Applying for OIC Membership *[INTERFAX]* 74

Uzbekistan

Intergovernmental Treaty Signed With Ukraine *[INTERFAX]* 74
Leaders Happy With Treaty *[INTERFAX]* 74
Karimov Fears Economic 'Shock Treatment' *[Moscow TV]* 74
Gorbachev Books Removed From Shop Shelves *[TASS]* 75

Worldwide Issues

Foreign Ministry Spokesman Gives News Briefing

LD2810160491 Moscow TASS in English
1524 GMT 28 Oct 91

[By TASS diplomatic correspondents Aleksandr Krolikov and Sergey Nikishov]

[Text] Moscow October 28 TASS—The Soviet Foreign Ministry's spokesman Vitaliy Churkin told a briefing here today about the program of Soviet President Gorbachev's visit to Madrid, which begins today.

Gorbachev will attend the opening ceremony of the peace conference on the Middle East and have several bilateral meetings.

A meeting between Gorbachev and Bush, scheduled for October 29, is expected to be "a saturated conversation", the spokesman said. The two leaders will focus on the recent Soviet-U.S. initiatives aimed at the further radical reduction of nuclear weapons.

Asked about Yeltsin's statement at the Fifth Extraordinary Congress of Russian People's Deputies on the need to reduce the staff of the Soviet Foreign Ministry, Churkin said there has not been an official response to it. The spokesman stressed this decision can only be made by the Soviet president and the State Council of the USSR.

Gorbachev-Bush Summit Previewed

LD2810175791 Moscow TASS in English
1651 GMT 28 Oct 91

[By TASS diplomatic correspondents Aleksandr Krolikov and Sergey Nikishev]

[Text] Moscow October 28 TASS—The Gorbachev-Bush summit, scheduled for October 29 in Madrid, will center on the recent Soviet-U.S. initiatives, aimed at the further radical reduction of nuclear weapons, head of the Soviet Foreign Ministry's Information Directorate Vitaliy Churkin told a briefing here today.

Churkin expressed the assurance that the upcoming discussion will give an additional impetus to the accelerated dismantling of superfluous military structures and the consolidation of confidence and stability.

On the eve of the opening of the peace conference, Mikhail Gorbachev and George Bush will "certainly, reconsider prospects for the movement towards a comprehensive peace settlement on the Middle East, and discuss what they can do for the success of the conference and negotiations, as co-chairmen," the spokesman said.

The presidents will focus on the situation in Yugoslavia, as well as on economic assistance to the Soviet Union rendered by the United States and other leading Western nations.

Gorbachev's Meetings in Madrid Previewed

Grachev on Bush Talks

LD2910064991 Moscow TASS in English
0636 GMT 29 Oct 91

[By TASS "special correspondents"]

[Text] Madrid October 29 TASS—A Soviet-U.S. summit meeting is due to be held here today. The talks between the two presidents will be held in the Soviet Embassy in Spain.

According to the Soviet president's press secretary, Andrey Grachev, this meeting between Mikhail Gorbachev and George Bush will deal with a traditional review of world issues, which have been jointly tackled by the two great powers over recent years.

The two leaders are expected to examine nuclear disarmament issues in the light of their latest initiatives and such acute conflicts as the Yugoslav one, for example.

After the summit the two presidents will give a joint news conference which evokes an immense interest.

The attention of the world public is now riveted on Madrid, the Spanish press emphasises. According to the press centre, about 5,000 journalists from 52 countries have been accredited here.

Activities Detailed

LD2810183191 Moscow TASS in English
1722 GMT 28 Oct 91

[By TASS diplomatic correspondent Andrey Pershin]

[Text] Moscow October 28 TASS—"Mikhail Gorbachev's visit to Madrid is largely a result of persistent efforts by the world community, with Soviet active participation, aimed at bringing about a shift in the Middle East peace settlement." This comment was made by the president's spokesman Andrey Grachev in a TASS interview before the departure from Moscow.

The fact that even that old problem that seemed insoluble at times began to yield to solution is evidence that principled changes have occurred in international relations over the past years and not only in Soviet-U.S. contacts and the European process.

Gorbachev makes the current trip in order to attend the opening of the Middle East conference that will be co-chaired by the Soviet and U.S. Presidents. Both leaders will address the conference, and in future their functions will be performed by Soviet and U.S. representatives.

The conference will provide a venue for another meeting between Gorbachev and Bush who will survey international problems that the two great powers have been trying to tackle together in the past few years. One can assume, Grachev continued, that the two leaders may raise nuclear disarmament issues in light of recent initiatives and acute conflicts, like in Yugoslavia.

Gorbachev will also meet the Spanish leadership and on his way back make a stop in France at the invitation of Francois Mitterrand. Although no more meetings and talks with leaders of other countries in Madrid are scheduled, Gorbachev's spokesman did not rule out the possibility of such meetings.

Bush Gives News Conference

LD2810135291 Moscow TASS in English 1324 GMT 28 Oct 91

[By TASS correspondent Vladimir Matyash]

[Text] Washington October 28 TASS—The U.S. and Soviet presidents—co-chairmen of the Middle East peace conference scheduled to begin on October 30—will hold a summit meeting in the Spanish capital the day before its opening. This will be the seventh Soviet-American summit meeting since Bush's inauguration and the first since the U.S. and Soviet presidents announced at the turn of the month their radical proposals to cut nuclear weapon arsenals.

They are expected to discuss disarmament and bilateral relations, including economic aid to the Soviet Union. On the eve of this event Bush told a press conference in Washington that the meeting would focus on bilateral problems and that the United States was prepared to discuss nuclear disarmament. He said he was ready to discuss all the problems that were of interest to the Soviet president and that he was looking forward to the meeting.

The chronology of Gorbachev-Bush summits dates back to December 2-3, 1989, when the two presidents discussed urgent international problems on board the Soviet steamship "Maksim Gorkiy" off Malta. The meeting contributed to the drafting of the treaty on a 50 per cent reduction of strategic offensive armaments.

Gorbachev and Bush later had talks at Camp David from May 30 to June 4, 1990. The Soviet side confirmed its earlier statement that the USSR did not regard the United States as an enemy. Bush, for his part, actually shared this statement applicably to the Soviet Union. [sentence as received] The sides firmly embarked upon the course of "going over from mutual understanding to cooperation and then to mutual interaction". They signed several documents, including agreements on trade and the peaceful uses of nuclear energy. The sides issued a joint statement on the basic principles of a future treaty to reduce strategic offensive weapons by 50 per cent, on the Vienna talks to cut conventional armaments in Europe, and the non-proliferation of nuclear and chemical weapons.

During Gorbachev's and Bush's meeting in Helsinki on September 9, 1990, the sides discussed a wide range of problems, relating to political evolutions on the European continent, formation of a united Germany, and active Soviet-American interaction in the interests of creating solid security and cooperation structures in Europe. The main topics of their talks included the Gulf crisis and the role of the two powers in efforts to overcome confrontation on the international arena. A joint statement was issued on the Gulf crisis.

The presidents of the USSR and the United States next met in Paris on November 19, 1990 during the CSCE summit conference. They discussed the role of the two powers in European and world affairs in light of the Soviet reforms and America's readiness to help perestroyka at the most difficult stage of its development. Special attention was devoted to joint efforts to cut short Iraq's aggression against Kuwait.

The July 17, 1991 London summit meeting between Gorbachev and Bush, who attended the G-7 conference, discussed the two sides' conceptual views on the role and further prospects of Soviet- American interaction. The two presidents exchanged views on the most important aspects of their countries' participation in world politics, as well as on the Soviet Union's integration into the world economy.

Bush's official visit to the Soviet Union at the end of July and early in August 1991, culminated in the signing of a treaty on strategic offensive weapons. This is the first treaty in world history to envisage a genuine reduction of the existing stockpiles of the most destructive mass annihilation weapons. The sides signed a joint statement on the Middle East, on Yugoslavia and on Soviet-American interaction in Central America. Bush's visit to the USSR has confirmed that Soviet-American relations are becoming more stable, clearer and more predictable.

On the eve of the new Soviet-American summit, Washington expresses the hope that it will contribute to the strengthening of constructive elements in relations between the two states.

U.S., Soviet Efforts Enable Dialogue

LD2810193991 Moscow TASS in English 1919 GMT 28 Oct 91

[By TASS diplomatic correspondents Andrey Surzhanskiy and Aleksey Tabachnikov]

[Text] Moscow October 28 TASS—Hours, not days, are left before the peace conference on the Middle East and the Soviet-U.S. summit begin.

It is not accidental that the two events happen at the same time. Efforts of the United States and the Soviet

Union have enabled a dialogue on the Middle Eastern problem between all parties concerned.

Many people wonder whether this would happen without radical changes in the Soviet-U.S. relations. It seems that, after so many years of confrontation in the Middle East, this process began with the Helsinki meeting between the Soviet and American presidents in September, 1990, when an agreement was reached to contribute to the solution of this "Gordian knot", as well as with joint steps during the war in the Persian Gulf.

The very approach towards the settlement of regional conflicts cannot be considered outside the international context, and here the refusal of the United States and the Soviet Union from global confrontation and the success of disarmament process, signifying the end of "the cold war", played a key role.

However, the current favourable atmosphere does not exclude the possibility that the Madrid meeting can be rather complicated, and, possibly, even dramatic, since the parties at the negotiations preserve the right to defend their interests.

The forum is bound to provide for a comprehensive settlement, which cannot be limited to the solution of the territorial problem. Its major result should be the establishment of a solid and just peace and good-neighbourly relations between states of the region.

The restoration of diplomatic relations between the Soviet Union and Israel on the eve of the Madrid conference is quite natural, as, in the opinion of Soviet Foreign Ministry expert Nikolay Spasskiy, "it would be illogical that one of the major forum participants does not have diplomatic relations with the Soviet Union."

However, the development of the Soviet-Israeli relations would not harm relations with Arab states.

In the opinion of specialists, during the meeting in Madrid the Soviet and U.S. presidents will discuss, in addition to the Middle Eastern problem, issues of the Soviet-U.S. cooperation with due account of democratic reformations in the Soviet Union.

The sides will devote special attention to the fulfilment of recent initiatives of their leaders in nuclear disarmament. Statements of some republics on the creation of national armies and the vagueness of the fate of tactical nuclear armaments located on their territories, provoke evident concern of Western partners.

This theme is likely to be discussed during the Gorbachev-Bush summit.

Scene Set for Conference

LD2810135591 Moscow TASS in English 1316 GMT 28 Oct 91

[By TASS Special Correspondent]

[Text] Madrid October 28 TASS—The Middle East peace conference is to begin in Spain on October 30. It is expected to be officially opened by the Soviet and American presidents—Mikhail Gorbachev and George Bush.

The convocation of such a forum seemed quite impossible until recently. The protracted conflict between Israel and its Arab neighbours left practically no hope for negotiations between representatives from the conflicting sides. However, the efforts exerted by the leaders of the two superpowers—Gorbachev and Bush—their close personal relations with King Juan Carlos of Spain and the Spaniards' readiness to contribute to the peace process in the Middle East, have made possible the calling of this really historical conference in Madrid.

The Spanish press devotes special attention to the fact that Gorbachev and Bush will meet here on the eve of the Madrid forum. This will be their seventh summit since the U.S. President took office and the first meeting after the leaders of the two superpowers had announced their radical initiatives to cut nuclear weapons.

The two leaders are expected to inform each other on the prospects of Soviet-American relations in light of changes on the international arena and developments in the Soviet Union, to discuss Moscow's and Washington's role in ensuring global stability. Moreover, as reported by the Spanish EFE news service, they will also discuss U.S. humanitarian aid to the USSR.

Only a few hours are left before the opening of the Soviet- American summit meeting and the Middle East peace conference. The press centre is ready to receive about 4,000 Spanish and foreign journalists, some of whom have only recently finished covering the Gulf War. Now they will witness two events which, as stressed by local observers, are bound to become important milestones on the way to a lasting peace both in the Middle East and throughout the world.

This forum will be held in the king's palace, which is an architectural monument of the late 18th century. It stands on Oriental Square and is sometimes called the Eastern Palace for that reason. The palace was actually turned into a museum in 1950 and is still open to the public. People are attracted to it by canvasses of such great artists as Goya, Velasquez and Rubens, and by tapestries with illustrations depicting Cervantes' immortal novel "Don Quixote". King Juan Carlos appears in the palace very rarely, only to accept credentials from foreign ambassadors and to attend official receptions. The king lives in the Zarzuela Palace, outside Madrid.

Madrid's mayor Jose Maria Alvarez has addressed the population of the Spanish capital, urging them to display maximum hospitality and cordiality to the participants of the conference and journalists in order to help them in their efforts to strengthen peace. According to the latest public opinion poll, 79.6 per cent of Spaniards welcome the Middle East conference, while 67.8 per cent of those

polled believe the forum will contribute to the further enhancement of Spain's role in international affairs.

However, not everybody supported the idea of the Madrid forum. It was opposed by certain unreconcilable politicians in the Middle East.

The Spanish authorities are taking unprecedented measures to ensure the security of the conference co-chairmen—Gorbachev and Bush—as well as of all the other conference participants. About four thousand members of the Spanish special services have been moved to Madrid from the provinces. The police will be assisted by Spanish service personnel.

International public opinion is focused on the Spanish capital these days. Many countries hope that the far from easy negotiations in Madrid will finally lead to the establishvent of a lasting peace in the Middle East.

Preparations for Conference Detailed

LD2810182791 Moscow TASS in English 1551 GMT 28 Oct 91

[By TASS special correspondents Vladimir Baydashin, Gennadiy Petrov, Yuriy Pometov, Viktor Khrekov, and Vladimir Shekhoutsov]

[Text] Madrid October 28 TASS—Final preparations for the Middle East peace conference, scheduled to open here on October 30, are all but completed in the Spanish capital. The conference will be officially opened by Presidents Mikhail Gorbachev and George Bush. The Soviet leader is expected to arrive here today evening [as received]. The leaders of the two superpowers plan to hold their regular summit in Madrid.

"The Gorbachev-Bush dialogue," says the influential Spanish magazine "CAMBIO-16", "holds out hopes for peace in the Middle East. Talks between the two leaders are expected to add the last touch to the picture of the new world order," it says. The commentary notes that the summit meeting should pave the way to the implementation of the latest American and Soviet initiatives in nuclear disarmament intended to rid Europe of nuclear weapons, drastically cut the number of intercontinental missiles and abolish nuclear arsenals by the year 2000. "There are quite a few difficulties on this road both in the West and in the former USSR," the magazine says. "For instance, who will exercise control over nuclear weapons in the independent Soviet republics?", "CAMBIO-16" inquires. The magazine expects the problem of American and West European economic aid to the USSR, which is experiencing huge difficulties, to figure largely on the summit's agenda.

... The only queue can be observed here today at the entrance to the Crystal Palace, where more than four thousand journalists from several scores of countries are now being accredited. Experts from 50 Spanish firms are about to complete their work at the press centre. Their duty is to ensure reliable communication facilities for covering the two most important international events. The Soviet Embassy, where the Gorbachev-Bush summit is to take place, has finished preparations for the meeting.

Spanish newspapers devote primary attention to the Soviet- American summit and the forthcoming Middle East peace conference. Analysing the role of the two superpowers in the efforts to ease international tension, the newspaper "INDEPENDENTE" notes: "Gorbachev has been able to make international relations more stable and predictable".

The Spanish mass media reports on the close cooperation of Soviet, American and Israeli special services, ensuring the security of participants in the Soviet-American summit and in the Madrid international forum. They regard it as a curious symbol of our times.

IZVESTIYA Previews Summit

PM2910104591 Moscow IZVESTIYA in Russian 29 Oct 91 Union Edition p 1

[Report by special correspondents V. Vernikov and A. Ostalskiy: "Gorbachev and Bush Will Meet Tuesday [29 October] Morning. Preparation for Near East Peace Conference in Madrid Nears Completion"]

[Text] Madrid—Three thousand diplomats and experts. Four thousand-odd journalists. And 16,000 Spanish security service personnel. The local newspapers claim that each of these figures constitutes a record in the history of international conferences. Such is the first "statistical survey" of the Madrid peace conference on the Middle East, which opens in the Spanish capital on 30 October.

But events of which much is expected are to occur here even before: namely, the apparently impromptu Soviet-U.S. summit meeting scheduled for the morning of 29 October. The Soviet president's plane will land at Barajas Airport late 28 October, the U.S. President's plane touching down a few hours before the two leaders meet.

The meeting will take place in the new Soviet Embassy building, but what the presidents will specifically talk about is not known, although the meeting agenda will certainly have been drawn up by experts beforehand. It can nevertheless be assumed without fear of error on my part that the problems of disarmament, Soviet-U.S. relations, and, of course, the Near East conference itself will be discussed.

The past year has seen breakthroughs actually occurring from one meeting to another. From the treaty cutting strategic and offensive arms by one-third to the proposal for an almost 50-percent cut. From George Bush's idea of scrapping tactical nuclear weapons to Mikhail Gorbachev's even more far-reaching counterinitiative.

Regarding the painful and delicate question of U.S. aid and credits for food purchases, Spanish newspapers,

citing authoritative U.S. sources, claim that the U.S. President has prepared a pleasant surprise for his interlocutor: Washington is ready to "unfreeze" credit for buying food, withdrawing its previous objections and conditions.

Meetings with King Juan Carlos and Prime Minister Felipe Gonzalez also fit equally logically into Mikhail Gorbachev's two-and-a-half-day visit, which is strictly scheduled down to the hour. Soviet-Spanish relations, which have experienced a drastic improvement in all areas in past years, will again be a topic of the upcoming conversations, with economic cooperation between our countries to the fore. In this regard the first piece of news is already out: The Spanish Government has resolved to start implementing the treaty signed in Moscow this June.

Nevertheless it is the Middle East conference itself which could deliver the main surprises. No one is venturing to say how events will develop. "Will not the group photo turn out to be the sole result of the conference?", a Spanish TV correspondent asked.

Indeed, the stances adopted by the parties to the conflict still appear so irreconcilable that even their actual assent to the talks looks surprising. Not for nothing did Egyptian President Husni Mubarak describe the coming conference as "a real battle in which the fate of peace will be decided." But as yet only the conference cochairmen—the USSR and the United States—are demonstrating a complete readiness to seek compromises and mutually acceptable solutions, whereas it is from the immediate participants in the conflict that concessions and steps designed to meet each other halfway are required first and foremost.

Whatever happens, the Spanish authorities are fully resolved to provide security for the conference participants.

PRAVDA Previews Conference

PM2910110991 Moscow PRAVDA in Russian 29 Oct 91 p 4

[Special correspondents T. Kolesnichenko and V. Volkov report: "The Madrid Marathon"]

[Text] Madrid, 28 Oct—Many people might feel that all this is somewhat quixotic. The countless trips to Near East countries by U.S. Secretary of State J. Baker, who was recently joined by our own Foreign Minister B. Pankin, and the very idea of the Madrid conference which is scheduled to open 30 October. After all, the Near East conflict which originated 43 years ago is most confused and complex, entangled in sharp confrontation which rules out any compromise. And what sort of agreement can be reached when different peoples lay claims to the same territory, when one side is implementing harsh terror and occupation and the other is responding with senseless killings, including the killing of civilians, and is calling for the hated state to be "driven into the sea"?

But there is no unanimous interpretation of quixotism in Cervantes' country. Having studied the great book's philosophy for generations, Spaniards are placing more and more emphasis on its hero's noble spirit and humanism. And what could be nobler and more humane than the goal of putting an end to enmity between peoples and halting the bloodshed which has been going on for decades on end in the long-suffering land of the Near East?

We also perceive as highly symbolic the fact that the conference on the Near East will actually be held on Spanish land. It was here, on the Iberian Peninsula, that the three great religions—Christianity, Islam, and Judaism—peacefully coexisted and developed from the earliest times. Nowhere else in Europe can one come across so much ancient proof of this, taking the form of architectural monuments and of cathedrals, synagogues, and mosques still in use. Nowadays the local press quite aptly reminds readers that Madrid, where the conference will be held, was known as the fortress of Magerit. Many centuries later this "fortress", no longer Muslim but somehow internationalized, is once more under siege: Today it is besieged by common sense.

As a matter of fact, the Spaniards have no equal when it comes to figurative speech. Asked about how the conference will proceed, Jorge Descallar, chief of the Spanish Foreign Ministry's Near East and Africa Department, gave the following answer: "The Americans will call the tune, the conference participants will make up the dance company, and we will provide the stage; whenever necessary, we will switch off the lights..."

In the time remaining until the start of the Madrid marathon, the press Jupiters are reporting every detail of the far from theatrical presentation which is due to begin. Here we have serious commentaries, detailed reports on the forthcoming conference's agenda, and tourist guide descriptions of the Oriente royal palace, where participants in this memorable event will gather, and of the Soviet Embassy, right down to floor plans of the rooms and passages which will be traversed by President G. Bush for his meeting with M.S. Gorbachev.

To put it briefly, there is plenty of news. We would like to present it according to the well known U.S. principle: "We have good news and bad news. Which would you like first?" Let us start with the good news. It is all associated with the key phrase "for the first time." If the conference does take place (note that even two days prior to its opening we are still writing "If"), a glimmer of light will appear for the first time at the end of a tunnel which had long been considered to be a dead-end. This, by the way—according to the general opinion of observers—was the decisive factor in convening the Near East conference. Furthermore, it would have been simply impossible without Soviet-U.S. cooperation. After all,

during the "cold war" years the Near East was the broadest arena of rivalry between the two superpowers for ideological, military, and other influence. This in turn fueled the fire of Arab-Israeli confrontation. But even today, when much has changed and the United States seems to have remained the sole superpower, Soviet support did prove necessary. Not just because we are one of the main arms suppliers to this hotspot in the world, but because when Washington and Moscow jointly insist on something it is—to put it mildly—difficult to refuse them... Thus, let us repeat, Israel on the one side and the Arab states bordering on it—Syria, Jordan, Egypt, Lebanon, and the Palestinians as part of a joint Jordanian-Palestinian delegation—on the other side have agreed to meet for the first time in Madrid on 30 October at the invitation of the USSR and U.S. presidents. The entire Arab world backed the idea of the conference. Only Iran and Libya declared that agreement to talks with Israel means capitulation. One way or another, the moment of truth for the Near East is approaching. The international ceremony of the opening of direct talks will be attended by the USSR and U.S. presidents and by UN and EC representatives. But this is perhaps all that has been agreed so far. All the rest is shrouded in fog.

First, it must be said that even if some sort of accord is reached, it will apply only to procedural questions. So far there is no ground for talk about alignment of positions in the conflict or any mutual understanding. The Arabs insist on the principle of "Land for peace." If Israel wants peace, it must withdraw from all occupied Arab territories. Syria demands the return of its Golan Heights, Lebanon—the withdrawal of troops from the buffer zone in the country's south, the Palestinians—the restoration of their rights and the creation of their own state.

The Israeli principle for talks is "Peace for peace." As for land, they say, we won't yield a single inch. This is the viewpoint of the ruling Likud Party. The opposition Labor Party still seems to consider the possibility of ceding certain territories. But such moods will never reach Madrid. There are no opposition representatives on the Israeli delegation. Furthermore, in order to prevent any "vacillation" by Foreign Minister D. Levi, Israel's prime minister caused a sensation—he decided to head the delegation himself. And his hardline position is universally known.

Another dangerous mine has been laid beneath the conference. It is well known that Israel rejects out of hand any talks with the PLO, and in this regard it is backed by Washington in view of Y. 'Arafat's stance during the Persian Gulf war. Consequently, the Palestinian delegation which was selected is formally without any links with the PLO, although everyone realized that it was essentially formed by 'Arafat. All this would have been accepted, had one of the Palestinian delegates not broken the "rules of the game." He openly declared: Our delegation is the PLO's delegation. And so, in an interview with CNN-TV today, Y. Shamir (who has appeared on television several times already) declared that if this is the PLO's delegation, he will not sit around the same table with it.

But let us not anticipate events, let us wait for the start of the Madrid marathon. This, incidentally, will really be a marathon since it has already been decided that the second stage of the conference, when its participants will move on to bilateral talks, will also be held in Madrid.

Another event will take place here 29 October, an event which generates as much interest as the peace conference on the Near East. It will be the meeting between the USSR and U.S. leaders—their seventh meeting since G. Bush became President and the first since the failed coup in Moscow. And although Soviet-U.S. dialogue at summit level no longer causes a sensation, the last-mentioned factor generates genuine interest. Everyone is perturbed not only by global aspects, not only by the ups and downs of Soviet-U.S. mutual relations in the international arena, but primarily by our purely domestic affairs and the opportunity to find out more about them at first hand, as the saying goes. This is openly said by spokesmen of both Soviet and U.S. delegations. To sum up their statements, it can be expected that the U.S. President will hear his interlocutor's opinion on the situation prevailing in the Soviet Union, the complex mutual relations between sovereign republics and the center, and so on.

M. Gorbachev and G. Bush will discuss the prospects for ratification of the Soviet-U.S. Treaty on Strategic Offensive Weapons, arms deliveries to the Near East, and other problems. Yet everyone realizes that special attention will be given to the question of humanitarian aid to the Soviet Union from the United States. We are talking about urgent deliveries to prevent a calamity this winter. Therefore, our delegation hopes, a specific "aid package" for the USSR is already in the baggage of President Bush who is due to arrive here 29 October.

And so, if Madrid today is the city of hopes, let us add our own hope to it. Perhaps we'll get through the winter.

Observer Views Conference

LD2910001791 Moscow TASS International Service in Russian 1410 GMT 28 Oct 91

[By TASS international affairs observer Yuriy Tyssovskiy]

[Text] [No dateline as received] Some Western experts these days are casting doubt on the capacity of Soviet diplomacy to effectively influence the progress of the Madrid Conference on the Middle East, which opens in the Spanish capital on Wednesday. This same subject is being intensively "worked on" by a number of newspapers in the USSR. The emphasis is that Moscow has allegedly lost the "levers" with whose help it manipulated the "allied" Arab states in the course of the past three decades. [Passage indistinct] ...I agree that Soviet influence on the Middle East peacemaking process has

been weakened to a considerable degree. According to the figures I have at my disposal, as at 1 June this year our state credits to Iraq, now frozen of course, amounted for military channels alone to nearly 9.8 billion rubles, to Syria [passage indistinct].

Soviet state credits under economic cooperation comprise, for Iraq—2.184 billion rubles, Yemen—1.4 billion, Egypt—1.136 billion, Syria—996 million Jordan—775 million rubles. Also quite a bit all told.

But this is not the main thing. [Passage indistinct] the restoration of diplomatic ties with Israel, so irrationally broken off nearly a quarter of a century ago, has closed the last breach in our Middle East policy, turning Moscow into an impartial participant in the peace efforts process. And this in itself opens to Soviet diplomacy fresh opportunities which do not require a cardinal shift from its well-known and, it should be noted, fairly principled position on the problem of a settlement.

There is no doubt that the United States remains the main motive force in the current movement of the Middle East toward peace. And that, in my view, is connected not only with the victory of the multinational forces over the Iraqi aggressor, but also with the skillful diplomacy of U.S. Secretary of State J. Baker, who managed to break the natural antipathy of some Arab regimes for Washington's Middle East course. This course has evidently undergone big changes in the direction of greater impartiality toward Arab and Palestinian demands.

I will permit myself to affirm that in considerable part the U.S. positions have come closer to ours, and not the other way round. Moscow never cast doubt on Israel's right to exist, but not at the expense of the Arabs' legitimate rights. [Passage indistinct] U.S. President G. Bush intends, in his own words, to play the part of "honest broker" between Israel and the Arabs. Moscow desires the same.

In an interview by the Saudi newspaper 'AL-SHARQ AL-AWSAT', USSR President Mikhail Gorbachev noted the "qualitatively new" atmosphere now emerging around the Madrid meeting. This is fair in all aspects. On the road to peace there are still many very tangible difficulties, but I think that only the coordinated actions of all the sides can bring the desired success. And it would be short- sighted to say the least to discount the role of Moscow.

[Signed] Yuriy Tyssovskiy, TASS international affairs observer

Pogodin Comments on Meetings

LD2810145991 Moscow Radio Moscow World Service in English 1310 GMT 28 Oct 91

[Text] The meetings on Tuesday and Wednesday [29 and 30 October] between President Gorbachev and Presidents Bush and Mitterrand respectively are the topic of these notes by Aleksandr Pogodin.

Of course Soviet-American and Soviet-French relations have their specific features, which will be reflected in the talks in Madrid and in southwestern France, but it is also beyond doubt that the talks will also touch upon problems common for the entire system of relations between the USSR and the West. Now briefly about some of these problems.

Both President Bush and President Mitterrand will have their respective meetings with President Gorbachev for the first time since the failed coup in the USSR in August. Apparently the idea will be first of all to form new notions, new approaches, in their relations and to work out concepts linked with the deep political and structural changes now taking place in this country. There are indications that American, French, and other Western leaders view these changes realistically and believe it is important to develop direct contact with the individual republics which established their sovereignty.

At the same time, however, the Western leaders definitely stress their interest in the maintenance of a strong center in Moscow. Cooperation and partnership with the center are regarded as an absolutely essential condition for maintaining stability in international relations and for promoting peace and security. Both President Bush and President Mitterrand have noted that full disintegration of the USSR would inevitably bring about chaos in world politics which the West, quite naturally, would not wish to see. One can expect the entire range of these issues will be in the focus of the coming talks.

In this connection it is particularly important to tackle problems related to nuclear armaments and to the disarmament process. The Soviet president will have to make certain efforts to clarify the possible spread of the Soviet nuclear arsenal into certain states. The West talks about this as a dreadful nightmare. According to available information, the problems will be discussed of stepping up nuclear disarmament in view of the initiatives of President Bush and President Gorbachev and in connection with the proposal by President Mitterrand that a meeting should be held shortly of the leaders of the four states that have nuclear arms in Europe.

Also very important is the discussion of a possible cooperation from the West to stabilize the political and economic situation in the USSR, to have this country change over to a new domestic system in principle. Naturally, Moscow is interested very much in such cooperation, first of all in getting serious economic aid. Both President Bush and President Mitterrand have spoken on many occasions about their readiness to take certain actions in this direction. However, as experts believe, it will be inevitably a complex matter to consider specific measures.

As I have enumerated what I consider to be the more likely subjects for discussion at the Gorbachev-Bush and Gorbachev-Mitterrand meetings, I don't dare to predict the practical conclusions the three leaders will arrive at.

However, opinions that they have expressed give good reason for a generally optimistic forecast.

Gorbachev Departs for Madrid Conference

LD2810160691 Moscow TASS International Service in Russian 1538 GMT 28 Oct 91

[By TASS diplomatic correspondent Andrey Pershin]

[Text] Moscow, Oct 28 (TASS)—Mikhail Gorbachev, president of the USSR, today left Moscow for Madrid. The main purpose of his visit to the Spanish capital is to take part in the Near East peace conference, which is being co-chaired by the United States and USSR. A meeting between Mikhail Gorbachev and U.S. President George Bush is also planned for Madrid.

Mikhail Gorbachev is being accompanied en route by Boris Pankin, USSR foreign minister; Yegor Yakovlev, chairman of the All-Union Television and Radio Broadcasting Company; Vladimir Lukin, chairman of the Russian Soviet Federated Socialist Republic Supreme Soviet committee on international affairs and foreign-economic links; and Lakim Kayumov, foreign minister of Tajikistan.

Answering journalists' questions before boarding his aircraft, Mikhail Gorbachev said that he was leaving for Madrid in a good mood. Touching upon the prospects of the Near-East conference, he commented that "its results will not be quick, but will be fundamental."

Arrives in Madrid

LD2810204891 Moscow TASS in English 2029 GMT 28 Oct 91

[Text] Madrid October 28 TASS—Soviet President Mikhail Gorbachev arrived in Madrid today. At Barajas Airport he was welcomed by Spanish Prime Minister Felipe Gonzalez and other officials. The welcoming party included Soviet Ambassador to Spain Sergey Romanovskiy.

In Madrid the Soviet president will meet U.S. President George Bush and attend the opening ceremony of the Middle East peace conference. During the visit he will also meet the Spanish prime minister.

Gorbachev-Bush Talks Begin

LD2910123791 Moscow TASS in English 1208 GMT 29 Oct 91

[By unidentified TASS special correspondent]

[Text] Madrid October 29 TASS—Talks between Soviet President Mikhail Gorbachev and President George Bush of the United States began here today. The Soviet-American summit is being held at the Soviet Embassy.

It began with a luncheon attended, besides the two presidents, by Soviet Foreign Minister Boris Pankin, member of the Soviet president's Political Consultative Council Yegor Yakovlev, and by U.S. Secretary of State James Baker.

The talks between the two presidents will be later continued in a narrower format. After the talks, Gorbachev and Bush will make brief statements for the press and will reply to the questions of journalists.

The summit is expected to be devoted to a traditional review of world problems, which the two great powers are endeavouring to settle jointly over the past few years. The two leaders will focus on nuclear disarmament in light of the latest initiatives, as well as on such acute conflicts as the fighting in Yugoslavia.

G-7, Republican Leaders Conference Continues

'Serious' Differences Emerge

OW2810171791 Moscow INTERFAX in English 1440 GMT 29 Oct 91

[Transmitted via KYODO]

[Text] The Moscow conference of the prime ministers of 12 ex- Soviet republics and the deputy finance ministers of the G-7 has revealed serious differences on the problem of the USSR's external debt. The Westerners suggested that the republics take on joint responsibility for the country's foreign debt, and that each republic bear individual responsibility for the non-payment of the debt by the other republics. They also suggested that debt payments be made via a single banking agency.

The Ukrainian delegation advanced its own project, under which each republic should bear responsibility for its own share of the Soviet Union's external debt. This implies the division of the country's debt, as well as its gold reserves, among the republics. Ukrainian premier Vitold Fokin said his republic did not refuse to bear responsibility for the USSR's foreign debt but would like to know exactly how much the country owes to other nations and how much other nations owe to the USSR.

Moldovan Delegation Gives Suggestion

OW2810183891 Moscow INTERFAX in English 1700 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The conference of the prime ministers of 12 ex-Soviet republics and the deputy finance ministers of the G-7 on the problem of the USSR's external debt went far beyond its time limits on Monday [28 October].

The Moldovan delegation came up with a last-minute suggestion that the memorandum on mutual understanding include a provision that the sovereign republics should agree on a mechanism and a procedure of foreign debt servicing. Moldovan Premier Valeriy Muravskiy told IF [INTERFAX] that appropriate Soviet agencies and foreign banks should inform the republics on the

exact size of the country's debt to foreign nations as well as the size of foreign countries' indebtedness to the USSR. He said reaching inter-republican agreement would directly depend on how soon this kind of information arrived.

The Moldovan delegation's initiative may cause considerable irritation on the part of Western banks, whose commercial secrets may be endangered.

Georgian Vice-Premier Murman Omanidze said he would endorse the memorandum on mutual understanding if the "Moldovan amendment" was inserted. At the same time, he censured the provision on the joint responsibility of the republics for the Soviet Union's external debt. He said Georgia also objected to bearing responsibility for 1.6% of the country's external debt. "We will discuss the debt problem only after we are told since when the USSR has been receiving foreign credits and what share of these has been forwarded to Georgia," Mr. Omanidze said.

The Kazakh representative is reported to have signed the memorandum, and the Kyrgyz official is expected to follow suit.

Victor Gerashchenko, head of the USSR State Bank, said he believed that "good sense will prevail" and all the republics would sign the document after all, although this might take some time. He expressed regret that no consultations had been held with the republics before their talks with the G-7.

Western representatives have said in private conversations that the memorandum's endorsement will determine whether or not the republics will get credits from abroad, including food credits for the coming winter.

Agreement in Principle Reached

OW2810211091 Moscow INTERFAX in English 1950 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] At their conference in Moscow on Monday [28 October], the prime ministers of 12 ex-Soviet republics and the deputy finance ministers of the G-7 agreed in principle on the text of a memorandum on the Soviet Union's external debt.

IF's [INTERFAX] correspondent reports that the republics agreed, among other things, to bear joint responsibility for the country's foreign debt and transfer debt payments via VNESHEKONOMBANK (USSR Foreign Economic Bank) or it legal successor.

Soviet Deputy Foreign Minister Ernest Obminskiy told IF that the memorandum could be signed soon given accord on an amendment pressed by the Ukrainian, Moldovan and Georgian delegations who insist that the republics should conclude an additional agreement on how to service the USSR's external debt.

The USSR State Bank head Viktor Gerashchenko regards this as a minor point that needs not to be included in the memorandum at all.

One of the conference participants, who asked not to be identified, observed in an interview with IF that the three republics were pushing the controversial amendment "in exchange for their agreement to bear joint responsibility for the country's debt."

Earlier they argued that each republic should be responsible only for those credits and loans that had been transferred directly to it.

Editorial Views Trade, Debt

PM2910112791 Moscow IZVESTIYA in Russian 26 Oct 91 Union Edition p 7

["Editorial Viewpoint": "The Third World and Us"]

[Text] Envoys from the world's seven leading industrial states are coming to our country. They are coming to conduct on-site investigations into our misfortunes and, possibly, to prepare proposals on aid. So, we have fallen into trouble and it remains only to thank the Group of Seven for their benevolent attitude and to express the hope that the visit will be fruitful.

Nevertheless, while pinning our hopes on support and investments from the West, it would do no harm to remember that there are 50 or 60 countries on this planet—mainly in Africa—whose economies are in a more desperate state than ours. And today those countries' politicians are watching irritably as a great power which only recently was urging them to follow the path of noncapitalist development has become a rival in the battle to attract foreign aid and capital. Which is not saying much—it is an unenviable role for us. But given that we are in no state to reject it, then it is necessary at the very least to realize that our former model of relations with the developing world has collapsed and we must build a new one.

What characterized the old model? It was not enough that, having declared itself the "light of progressive humanity," Moscow promoted Marxist ideology in liberated states. Moscow also became the indirect (in the case of Afghanistan, direct) participant in regional conflicts, and to spite the Americans took radical, "anti-imperialist" regimes under its wing, feeding them weapons. The result is pitiful. Our state squandered its might in senseless contests.

Although the strategy of confrontation has failed, this is not to say that we have no choice but to idolize the West and turn our backs on our traditional partners. You know, Saddam Husayn and dictators like him in no way epitomize the Third World. It is personified by India—the largest democracy on earth in terms of population—and Mexico, and many other states with which we have formed friendly and mutually beneficial relations.

Unfortunately, at the moment these links are getting bogged down under the influence of the crisis in the USSR. It would be tragic if we did not try to halt this process. Here are just two illustrative statistics: India supplies us with approximately 90 percent of all our imported tea and 60 percent of our coffee. If we lose the Indian market for our reciprocal deliveries, each and every one of us will feel the consequences.

Moreover, our weakening "center" is hardly in any state to do much. The main responsibility lies with the sovereign republics. They are the ones who should be concerned to make sure that the potential accumulated over the years for cooperating with the developing world is not tossed to the will of the elements. This potential will still serve the future Union, whatever dimensions it may acquire.

Meeting Concludes

LD2910000191 Moscow TASS in English 2204 GMT 28 Oct 91

[By TASS diplomatic correspondent Igor Peskov]

[Text] Moscow October 28 TASS—A two-day meeting between prime ministers of twelve union republics, which have proclaimed their sovereignty, and representatives of "the seven" 's financial bodies, ended here today with the signing of a memorandum "on understanding as regards foreign debt of the USSR and its successors".

The meeting was held within the framework of agreements reached by a Soviet delegation and representatives o. "the seven" at a recent annual conference of the World Bank and the International Monetary Fund in Bangkok.

Thus, the republics declared themselves jointly responsible for the Soviet foreign debt. They also agreed that a single body in the person of the Soviet Foreign Economic Bank, its successor or other juridical person, which they can nominate on a mutual agreement, will service debts between them and foreign creditors.

The twelve republics, which have signed the memorandum, expressed their intention to hold negotiations and conclude an agreement on participation in payment of the debt on a solidarity basis with Latvia, Lithuania and Estonia.

This item was included in the memorandum on the very last moment as a result of a compromise. It is explained by the fact that some republics, including the Ukraine, Moldavia and Georgia, considered it necessary that the document was signed by the Baltic states, which are also responsible for Soviet debts.

"The meeting's results were positive, to the common satisfaction of all the participants," Ivan Silayev, head of the Soviet Committee for the Management of the National Economy, who attended the last stage of the negotiations, told correspondents.

"After the decision on the exclusion of signatures of the Baltic states was taken, the memorandum on debts actually comes into force today," Silayev said.

Silayev Remarks on Meeting

LD2910080491 Moscow TASS in English 0736 GMT 29 Oct 91

[By TASS diplomatic correspondent Igor Peskov]

[Text] Moscow October 29 TASS—A two-day meeting between prime ministers of twelve Union republics, which have proclaimed their sovereignty, and representatives of "the seven" 's financial bodies, ended last evening with the signing of a memorandum "on understanding as regards foreign debt of the USSR and its successors".

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Observer Assesses International Conflicts, Role

PM2810104391 Moscow KRASNAYA ZVEZDA in Russian 26 Oct 91 First Edition p 2

[Review by observer Aleksandr Golts under the "Abroad" rubric: "Old Conflict Seem To Be Coming to an End. But Are We on the Threshold of New Ones?"]

[Text] The last thing of which you can accuse present international life is stagnation. Time has really taken off at a gallop. In the past each of the events which happened this week would have been enough for years of diplomatic activity. Judge for yourselves. In Paris agreements have been signed which should lead to a definitive settlement in Cambodia. One of the most tragic conflicts of our time will thus be ended. A conflict which has dragged on for several decades and which has cut short the lives of millions of people. If you consider that U.S. Secretary of State J. Baker during these same days announced Washington's intention to restore relations with Vietnam, then one may say with confidence that an end has finally been put to all war in Indochina.

If the finale of a laborious negotiations marathon was taking place in Paris, in Madrid at the same time they were beginning to prepare the start for a no less complex diplomatic forum. On 30 October the conference on the Near East opens there. So far only one thing has been successfully achieved—agreeing on the participation of Israel, the Arab countries, and representatives of the Palestinian people in this conference. Pointing out that on all fundamental problems the participants in the forthcoming talks adhere to directly opposite opinions, skeptics believe that the conference will not bring peace to the Near East.

But the example of the Paris forum convinces us that there are no insoluble problems. In just the same way a great deal of labor was spent to get the "Khmer Rouge" (yesterday's Pol Pot supporters) and representatives of the Phnom Penh government to sit down at the same table. Only yesterday the conference had to be broken off because of the total noncoincidence of positions. But the firm course toward settlement adopted by the world community eventually ensured success. I am sure that the same factor will make it possible, through long and complex talks, to come to a Near East settlement.

And so it looks as though the "hot spots" which have given politicians a headache for decades are disappearing. And although the fact that blood is no longer being shed in some places cannot fail to gladden us, the world continues to live in alarm. The point is that many people have started to feel that new, far more dangerous "hot spots" have begun to loom on the horizon. After all a characteristic feature of the conflicts now close to solution is the fact that they were fed and kindled by confrontation between the great powers. And when that confrontation disappeared the "hot spots" themselves tended to be extinguished.

The whole trouble is that at the same time one of the great powers has begun to disintegrate. At one time the Ottoman Empire, rent by internal disputes, was called "the sick man of Europe." Now, however bitter it may be, it is my country that is sick. But this "sick man" has thousands of nuclear warheads. That is why the instability in the USSR frightens the world far more than conflicts in the Third World.

People are particularly wary of the fact that some leaders of the sovereign republic, utterly cursing "the center's imperial aspirations," are themselves thinking in imperial terms and by no means in terms of the realities of the present century. In full accordance with the old thinking they are trying to ensure the sovereignty of their states through political and economic isolation and the erection of new "Berlin walls." And of course by creating armies, guards, and militia, some of whom are already waging local battles. Here the question of precisely who they intend to defend themselves against by force of arms is somehow left to one side.

The Ukrainian parliament has just adopted at their first reading a package of laws on defense. And it is a case not only of creating its own army and navy, equal in numerical strength to the West German Bundeswehr and almost twice the size of the Japanese "self-defense forces." It is planned that for a transitional period the Ukraine will have nuclear weapons. And to all appearances this is by no means a tribute to necessity. For several weeks now one paper and now another, citing officials from the republic, has been reporting that the question of the exchange of nuclear strikes has allegedly been seriously examined. In the mass media (and seemingly not just in the mass media) there is a kind of free for all game of nuclear ping-pong.

I very much want to believe that this entire phantasmagoria is the result of misunderstanding or someone's lack of conscientiousness. But let us not forget that all this is taking place in a white-hot domestic political situation. And it is no accident that the decisions of the Ukrainian parliament have given rise to such a stormy response abroad. According to THE LOS ANGELES TIMES, high-ranking U.S. administration figures have stated that they will not allow the republics anxious to achieve independence to establish control over the nuclear weapons inside their borders. The deputy chief of general staff of the Republic of Poland has also expressed his concern.

However that may be, the world will not remain indifferent to the prospects of, at best, the abolition of the treaty on the nonproliferation of nuclear weapons and, at worst, a conflict with the use of these weapons in Europe. And in that case how could the seemingly dead myth of the "Soviet military threat" not be revived? A threat which did not exist even during the times of confrontation, but which could be entirely feasible in the period of the Soviet Union's disintegration.

China

PRC Fears 'Chaos' on Border; Troops on Alert

PM2510152191 Moscow KOMSOMOLSKAYA PRAVDA in Russian 25 Oct 91 p 3

[By correspndent A. Kabannikov: "Area Enveloped in Grim Silence"]

[Text] Hanoi—Chinese Army subunits stationed along some sections of the USSR border have been put on heightened alert. Western news agencies report that the authorities in China's border provinces are afraid that the "chaos" in the Central Asian republics and Kazakhstan may cause a flood of refugees and that the republics' declaration of independence may cause ferment among the Uygur, Kazakhs, Muslim minorities, and other peoples living in Xinjiang-Uygur Autonomous Province.

Eyewitnesses report that military transporters have massed by the border. Tourist access to border areas is restricted.

PRC President's Visit to Pakistan Noted

BK2710112691 Moscow Radio Moscow in Urdu 1100 GMT 26 Oct 91

[Rustam Goliulin commentary]

[Text] The first day of PRC President Yang Shangkun's state visit to Pakistan is 26 October. Radio Moscow's Islamabad correspondent Rustam Goliulin writes:

Much importance is being attached to this visit in Beijing and Islamabad. This becomes clear from the Chinese president's entourage, which includes ministers of foreign affairs, trade, economic affairs, defense, and other government officials. It is quite obvious that issues relating to foreign affairs, trade, economic, and defense matters will come under discussion during this return visit by Yang Shangkun to Islamabad. Some time ago, Pakistani President Ghulam Ishaq Khan had paid a visit to China, which observers described as very successful. However, Yang Shangkun's visit will be different from his previous ones in view of the major changes that have taken place in China during the past few years. Its relations with the Soviet Union and India have improved and it has oriented its economic system on the model adopted by rapidly progressing Western and Southeast Asian nations.

China has expressed its willingness to play an effective and constructive role at the United Nations and to sign the Nuclear Nonproliferation Treaty. Islamabad, therefore, would have to find an answer to the question about Pakistan's position in the fast changing world, which has become a very important issue for many Pakistanis.

Lately, Pakistan has been appealing to countries in the region, especially Iran and Turkey, to evolve their own strategy and to challenge the West. But it is difficult to say whether China will support these appeals. China would definitely like to further strengthen its economic cooperation with Pakistan, but, as THE DAILY NEWS writes, it would, perhaps, not like to become the pillar of this strategic structure which Islamabad is willing to erect. This leads us to conclude that instead of finding strategical allies to face India and Afghanistan, Pakistan should join the universally expanding process of renewal and reconstruction.

Northeast Asia

Shaposhnikov Receives ROK Ambassador

LD2910094191 Moscow TASS International Service in Russian 1259 GMT 28 Oct 91

[By correspondent Oleg Moskovskiy]

[Text] Moscow, 28 Oct (TASS)—USSR Defense Minister Yevgeniy Shaposhnikov today received Kong No-myong, ambassador of the Republic of Korea [ROK] to the USSR, at the latter's request.

"This meeting was called for by the need to specify certain of our positions created by the exchange of embassies and military attaches which has taken place between the ROK and the Soviet Union," Hong No-myong told the TASS correspondent after the meeting.

The conversation was "exceptionally useful and friendly," said Lieutenant-General Eng Eng-il, head of the intelligence directorate of the Ministry of National Defense of the Republic of Korea, who took part in it. The first contact with the Soviet Defense Ministry was "a constructive step on the road to establishing mutual understanding," he stressed.

ROK Ambassador Cited on Credit

PM2910111591 Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 91 p 1

[TASS report: "Credit Will Strengthen Ruble"]

[Text] Extensive cooperation with South Korea will help make the ruble convertible—that is the belief of businessmen from South Korea who yesterday opened an exhibition of their wares on Krasnaya Presnya.

"We hope to bring trade turnover between our countries to $10 billion by the mid-nineties," Kong No-myong, Republic of Korea [ROK] ambassador to the USSR, said at a news conference to mark the opening of the exhibition. "Our country is a newcomer on the Soviet market but we will do everthing possible to develop it as rapidly as possible. For a start we have granted the USSR a credit of $3 billion, which should help strengthen the ruble."

South Korean Bank To Extend Credits

OW2910001191 Moscow INTERFAX in English 2138 GMT 28 Oct 91

[From "Soviet Business Report"; transmitted via KYODO]

[Text] South Korea's Export-Import Bank (Korea Eximbank) announced on Monday that it is prepared to finance contracts in extending the Soviet Union $800 million in credits. The directors of Korea Eximbank made this decision after receiving guarantees from the Soviet Government.

In August 1991, Korea initiated these credits (to be used for purchasing materials and consumer goods in Korea); however, they were blocked following the coup attempt in Moscow. Up to now, Soviet importers have made claims on over $300 million of the credits according to information from the Bank of Foreign Economic Affairs USSR.

Also on Monday [28 October], the Korean Bank of Development received orders to begin discussions with the Soviet Union's Bank of Foreign Economic Affairs about the conditions for using the $500 million in financial credits. So far this year, South Korea has loaned $3 billion to the Soviet Union.

Experts Question Inquiry on KAL Wreckage

LD2510164691 Moscow TASS in English 1623 GMT 25 Oct 91

[By correspondent Vladimir Palagutin]

[Text] Vladivostok October 25 TASS—An operation launched by the IZVESTIYA newspaper to find wreckage from the South Korean Boeing-747 shot down by the Soviet Air Force in 1983 has given rise to bewilderment on the part of some naval experts.

"The motives of the 'independent expedition' are not fully clear," Captain Boris Kosik, head of the Navy's Search and Rescue Service, told TASS today.

"Whatever could be found and retrieved has already been found and retrieved by us. No mysteries remain as to the origin of the KAL-700 plane or the character of the tragedy. Remaining objects will hardly add anything to the existing version of the events. There has never been any mystery around the whereabouts of the plane. This is an area off Moneron Island in the Tatar Strait. Anyone wishing to obtain information could have done so, including information about the precise location of the downed plane, from our Hydrological Service."

The naval expert pointed out that IZVESTIYA journalists chose a different way: They portray their expedition as a risky crusade.

If the story has puzzles, Kosik remarked, they should not be looked for on the seabed: Naval rescue teams never make mistakes in their work.

Troop Withdrawal From Mongolia Updated

LD2710132391 Moscow All-Union Radio First Program Radio-1 Network in Russian 1830 GMT 25 Oct 91

[Text] We have received another letter from Reserve Major Stepan Ivanovich Cheremnykh, a war veteran from Irkutsk, who wants to know how the Soviet troops' withdrawal from Mongolia is going. As you know, they were temporarily stationed there at the request of the Mongolian Government. Why is it taking so long to withdraw such a relatively small contingent of forces, our listener wonders. I have asked my colleague, Sergey Pravdin, to answer this question. Over to you.

[Pravdin] The second stage of the withdrawal of Soviet forces from neighboring Mongolia is now being implemented. I remind you that it is taking place under an agreement between the governments of the two countries. It is scheduled for completion during 1992. The contingent still there is indeed relatively small. About 27,000 officers and men, 436 tanks, 375 field guns and mortars, about 400 APCs, and roughly 5,500 other items of combat equipment have to be repatriated during the second stage.

There is a very simple explanation for the relatively long time that the withdrawal is taking. Experts have calculated that about 17,000 railway cars will be needed to transport all the equipment mentioned above, as well as the troops. Of course it would be possible to find these cars, even though rolling stock is almost always in short supply in our country these days. The command of Soviet forces in the Mongolian People's Republic [MPR] has stated that it is prepared to accelerate the withdrawal. But the point is that this would absorb almost the entire capacity of Mongolia's only railway line, which runs from the Soviet border to Ulaanbaatar and then on to China. This just cannot be done. After all, this one railway line carries both goods and passengers moving from our country to Mongolia and China, and the other way round. So, the schedule for the withdrawal of forces has been drawn up on the basis of existing realities. One can assume that it will be strictly adhered to, although there have been reports in the Mongolian press that the withdrawal is currently slightly ahead of schedule.

But quite a few difficulties are being encountered during the withdrawal. One example is the transfer of the remaining assets of military garrisons, including housing, to the Mongolian side. The Mongolians will only get about 7,000 well-appointed apartments as a result of the transfer of the 55 garrisons being handed over to the Mongolian side. All the other assets which remain must also be handled in a thrifty way. The provision of housing for the officers and men who return to our country is also a considerable problem, of course. After all, the housing situation in our country is almost as bad as in Mongolia.

Another aspect of Mongolian reality must also be considered. In the boundless and very sparsely populated steppe regions of Mongolia many of these garrisons acted as important centers of Mongolian infrastructure. The Soviet garrisons always had very close links with the local population. These links still exist in those regions where our garrisons remain, even though the domestic political situation in Mongolia has, of course, substantially changed of late. As you know, the presence of Soviet troops in Mongolia was a temporary arrangement. It was forced on us as a result of the tension that prevailed on the Sino-Soviet border at that time. Following the complete normalization of relations between the USSR and China, and between Mongolia and China,

there is now no need to keep Soviet forces on the MPR's territory. As the Mongolian newspaper UNEN wrote recently, the withdrawal of Soviet forces from the MPR will help strengthen Soviet-Mongolian, Sino-Soviet and, of course, Sino-Mongolian relations.

Near East & South Asia

Talks on POW's in Afghanistan Begin 3 Nov

OW2810133191 Moscow INTERFAX in English 1200 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] At all appearances, talks with the mujahidin will begin in Moscow on November 3. The Soviet Foreign Ministry's Department for the Middle East informed IF [INTERFAX] that the Afghan armed opposition representatives' first visit to the Soviet Union, initially scheduled for October 28, had been put off because the Soviet leaders were taking part in the peace conference on the Middle East in Madrid.

The mujahidin delegation is expected to be headed by the leader of the opposition's moderate wing, B. Rabbani. In Moscow he will be received by Soviet Foreign Minister Boris Pankin and his Russian Federation's colleague Andrey Kozyrev. The talks will focus on the fate of the Soviet POWs.

According to sources in the Soviet Foreign Ministry, the same question is likely to be discussed during Mikhail Gorbachev's meeting with George Bush in Madrid. The U.S. has promised aid to the Soviet Union. While the Soviet side looks at this aid from a purely humanitarian angle, the U.S. is trying to link it with the termination of Soviet military aid to the Najibollah regime before the beginning of the next year.

Mujahidin Trip to Moscow Still Uncertain

LD2810222491 Moscow TASS in English 2007 GMT 28 Oct 91

[By correspondent Nikolay Semenenko]

[Text] Islamabad October 28 TASS—The date of arrival of an Afghan mujahidin delegation in Moscow is still uncertain due to sharp differences in the leadership of the Afghan armed opposition over the Soviet invitation to come to the USSR for negotiations.

Although last Thursday's [24 October] meeting between the Pakistan leadership and heads of Afghan opposition groups set the departure date for November 3, no one turned to the Soviet Embassy in Pakistan for entrance visas five days before the scheduled day.

Judging by reports reaching here from Peshawar, the composition of the delegation and the agenda of the upcoming negotiations remain unsettled.

Burhanuddin Rabbani, appointed head of the mujahidin group to go to the USSR and "foreign minister of the interim government", said in this connection that he will refuse from participating in this trip if no consensus on this issue is reached in the nearest future between the opposition leaders.

Leaders of the so-called "irreconcilable" groups, Golboddin Hekmatyar, Yunus Khales and 'Abdol Rasul Sayyaf, have announced their decision not to participate in the negotiations.

During a recent meeting, representatives of six antigovernmental groups and Islamic theologians from Afghan southwestern regions adopted a declaration rejecting the possibility of a mujahidin delegation's trip to the Soviet Union, the Peshawar FRONTIER POST newspaper reports.

However, hope for the arrival of representatives of the Afghan opposition in Moscow remains. The current stand of Pakistan, which has recently intensified its calls for the soonest settlement of the Afghan problem and can have a certain influence on mujahidin leaders, gives rise to a certain optimism in this respect.

Afghan Opposition Figure Expected in Moscow

LD2810133191 Moscow TASS in English 1303 GMT 28 Oct 91

[By correspondent Oleg Kuzmin]

[Text] Tehran October 28 TASS—"A high-ranking delegation of Afghan mujahidin, led by leader of the 'Islamic Society of Afghanistan' Burhanuddin Rabbani, will visit Moscow this week," Sibghatullah Mojaddedi, head of the "transitional government", formed by the Afghan opposition, has declared here, the IRNA news service reported from Islamabad on Sunday [27 October].

In his opinion, the delegation should try to convince the Soviet leadership that the future Afghan Government would not be hostile to the Soviet Union. "In this case," he believes, "the Soviet leaders may back the mujahidin stand on the settlement of the Afghan issue."

The head of the "transitional government" stressed that despite its gratitude to Islamabad for the assistance given to the mujahidin, he objected to the interference of "individual Pakistani brasshats" in the internal affairs of Afghanistan. In light of this, Mojaddedi spoke critically about the stand of the leader of the "Islamic Party of Afghanistan" Gulbuddin Hekmatywr, who is "endeavouring to draw the Pakistanis as broadly as possible into the settlement of Afghanistan's problems."

Saddam Husayn Refuses To Receive 'Arafat

LD2810144891 Moscow TASS in English 1353 GMT 28 Oct 91

[By correspondent Mikhail Krutikhin]

[Text] Cairo 28 Oct TASS—Iraqi President Saddam Husayn has refused to receive in Baghdad Yassir 'Arafat, chairman of the Executive Committee of the Palestine Liberation Organisation, the Cairo "AL-AKHRAR" reported today.

According to the newspaper, 'Arafat called for a meeting with the Iraqi leader last week to explain the PLO's stand on the Middle East peace conference. Saddam Husayn replied personally that such a meeting would be possible only after the Palestine leaders officially refused to attend the Madrid conference.

Shamir's Role at Madrid Talks Questioned

PM2810140591 Moscow PRAVDA in Russian 26 Oct 91 p 4

[Konstantin Kapitonov "Viewpoint" article under the rubric "Madrid Focus on the Near East": "Yitzhaq Shamir's Surprise"]

[Text] Who would have thought that the 76-year-old Israeli prime minister was a past master of surprise?! He has announced that he will personally head the Israeli delegation at the Near East peace conference, which opens in Madrid on 30 October.

The head of the Israeli diplomatic department, David Levi, who was to have headed the delegation (the invitation to the conference said that it would be held at foreign minister level—K. Kapitonov), was furious, told Shamir of his strong displeasure, and refused to fly to Madrid.

What was it, then, that made the Israeli premier take such an unusual decision?

As is known, the Arabs' and Palestinians' main aim at the upcoming meeting is to secure Israel's withdrawal from all occupied territories, including Jerusalem, an immediate end to the construction of Jewish settlements, and recognition of the national rights of the Palestinian Arab people.

The Israeli premier knows that, of course, and is aware that the talks will be difficult. So, it seems to me, his decision to head the delegation was due to a desire to show the Arabs and Palestinians, as well as the United States and USSR, that he intends to take a hard line and continue to defend his uncompromising policy.

Incidentally, the PLO leaders have said Shamir's decision "shows that Israel intends to wreck the peace conference." I cannot agree with that. I admit that the Israeli premier could try to hamper the talks in order to rule out the possibility of a compromise being reached on territorial matters, but I am convinced the Madrid meeting will take place. This is evidenced by recent statements by Shamir, who stressed that "without talks we will never achieve peace, but we must try."

In my view, there is yet another explanation for Shamir's decision. He is an old undergrounder and was a member of two terrorist organizations, which fought against the Arabs and the British in Palestine in the mid-1930's and 1940's. Finally, he worked for around 10 years in Europe as an officer in the Israeli secret service, Mossad. So he has to be on the spot himself and not rely on others. Moreover, he is convinced that the delegation has to be headed by a "stubborn and tenacious politician." Not one like David Levi—a man of charm and moderate views, who finds it easy to establish relationships even with opponents.

It also seems to me that Shamir knows better than anyone else what a serious test the Madrid conference is going to be. It is the first meeting of its kind between Israel and the Palestinians. That is why the Israeli premier decided to go to the negotiating table himself and assume not only the leading role, but the entire responsibility for the possible consequences.

So Shamir is going to Madrid. He is dying to go into action, so to speak. As an experienced strategist, he is preparing in earnest. According to reports from Tel Aviv, he has put together a delegation that comprises mainly his followers—supporters of the no-compromise line. They include several Israeli settlers from occupied Arab lands. Shamir's plan is that they should give him additional support in the dispute with the Arabs over the occupied territories and Jewish settlements.

I believe that given that composition, and, what is more, headed by an obstinate premier, the Israeli delegation could well be a time bomb.

KGB Veteran on Nuclear Experts in Mideast

PM2810150791 London AL-HAYAH in Arabic 25 Oct 91 pp 1, 4

["Former Senior KGB Official Tells AL-HAYAH: Soviet Nuclear Scientists Disappeared Abroad and United States Warned Against Their Employment in Region"]

[Text] Moscow, AL-HAYAH—A former senior Soviet intelligence official has emphasized to AL-HAYAH that "the Americans have warned the Kremlin that they can never accept" Soviet nuclear scientists being employed in the Middle East. He believes that "Western, not Middle Eastern intelligence" could be behind the "disappearance" of some of these scientists.

He pointed out that Soviet authorities were continuing to apply strict travel restrictions to "secret nuclear experts," indicating that many of them have agreed to offers from foreign "brokers" to work in states like Iraq, Egypt, Syria, and Israel.

Asked whether Soviet scientists wish to work in Arab states, the official replied: "It is rumored that these states are rich and prepared to pay generously, and our scientists, who founded the Soviet nuclear industry, are experiencing miserable living conditions. And above all that, they are constantly told that the need for them no longer exists. But I do not believe that they will be able to

work for the Arabs, much as they may wish to do so. The reason is that the states will place obstacles in their way, if only out of deference to the United States."

He emphasized that these experts cannot travel as ordinary citizens do. He pointed out that they still have to wait at least five years after leaving their nuclear posts before the authorities can approve their leaving the country. He pointed out that "there are Jewish nuclear scientists who have been waiting 20 years for such approval."

The former official expressed his fear that the breakup of what is known as the Soviet military-industrial complex and the dissolution of the the KGB, which was the "guardian" of nuclear secrets, could lead to the leakage of some or all of these secrets with the emigrants. He acknowledged that since 1985 opportunities have increased for those working in the complex to travel and even sign contracts to work abroad.

But he denied that the phenomenon could have occurred on a large scale. He emphasized that there was still tight control over it. He believes that what has happened is that the authorities now deal logically with those who wish to travel or emigrate. In the past any one working in the complex used to be prevented from traveling. But this now applies only to those who work in establishments whose secrecy is prompted by the state's security interests. And the approval of the establishment concerned is still a fundamental condition for granting a passport to the person wishing to travel. If travel agencies suspect anyone, the case is referred to intelligence circles.

Answering a question put forward by AL-HAYAH, the retired official said that he is personally acquainted with several attempts that have taken place over the past two or three years to "recruit secret experts" to work abroad. He pointed out that the people who make these attempts are brokers working for private foreign companies with branches in Moscow. He noted that no measures are taken to punish the brokers uncovered by secret Soviet organs. "All that we do is to explain to them the impossibility of achieving what they want." He added that the most active brokers are those working for Israel.

Commenting on what was recently published in Soviet newspapers, namely that Iraqi President Saddam Husayn is trying to "head-hunt" Soviet nuclear experts, he said that he had no knowledge of such attempts and that the story was probably wrong. But information available to him indicated that the "Iraqis relied on Western companies in implementing their nuclear program. And their interest in us was in the conventional weapons framework only."

It is known that information has spread in Soviet circles to the effect that military experts who refused to leave Iraq during the Gulf war have moved to other states in the region and obtained employment contracts there.

In that context the former intelligence officer said: "These are basically engineers and technicians in the field of operating conventional weapons, but they have no knowledge of production technology, especially in the nuclear weapons field."

Eastern Europe

Shevardnadze Interviewed on Hungarian Events

LD2910081791 Moscow TASS in English 1506 GMT 28 Oct 91

[By correspondent Andrey Kuklin]

[Text] Budapest October 28 TASS—Eduard Shevardnadze has stressed in an interview, published today by the Hungarian newspaper "NEPSZABADSAG," that the Soviet leadership should have issued long ago a statement on its unreserved condemnation of the Soviet armed intervention in the 1956 Hungarian events, believing it to be a violation of international law.

The ex-foreign minister of the USSR stressed that he had repeatedly expressed the view, when he headed the ministry, that the intervention was a gross blunder and even a crime. "I was firmly convinced that such a reassessment is necessary. I didn't conceal this conviction and expressed it whenever possible," he noted.

Touching on talks about a new putsch in the USSR, Shevardnadze said he wondered who was behind these rumours and what was their purpose. "It seems there are people, who want very much the situation in the USSR to remain unstable. There is no real danger of a new putsch in the foreseeable future," Shevardnadze stressed.

Asked whether the "Democratic Reforms Movement" could assume the role now played in the Soviet Union's political life by the "Democratic Russia" Movement, Shevardnadze said that "cooperation between us is more probable. Just as they, we are advocating democratic ideas. We will exert parallel efforts for the sake of creating a democratic society."

Asked whether the Gorbachev epoch was over, Shevardnadze replied: "Why do you think so? Gorbachev is still the country's president and could perform many useful deeds, if the people support his ideas. If he fails to submit to the people efficient and feasible plans, uniting the democrats and the reformers, then we will be able to say that his time is over."

VEST Official Explains Organization's Arms

LD2210195591 Moscow Central Television First Program Network in Russian 1900 GMT 21 Oct 91

[From the "TV Inform" program]

[Text] New relations with East European countries was the topic of conversation at a conference, now ended, on

setting up an international nongovernmental organization East European Cooperation and Trade [VEST]. This, to date, is the only organization in Europe or Asia which aims to get the former CEMA member countries out of the economic crisis.

[Begin recording; M.L. Lukin, chairman of the VEST Coordinating Council] If CEMA was an organization set up by governments, our organization has been created on the initiative of entrepreneurs and producers. The organization completely lacks state regulation and is entirely built upon market econommy mechanisms. This is its main distinction and the organization is in no way guided by the principles which existed within CEMA. [end recording]

Of the many factors listed by the organization's founders, which in their opinion enable VEST to work productively from the first day of its existence, one can cite the fact that the basis of VEST is a mechanism developed over several years by Russian, Bulgarian, and U.S. specialists and, which is most important, this mechanism has already been tried out in a U.S. company and has operated successfully for 20 years. Another fact of no little significance is that VEST is introducing its own currency unit, the foreign currency certificate, which eradicates dependence on freely convertible currency for the VEST participants.

West Europe

Further on Cypriot President's Moscow Visit

Delegation-Level Talks Held

LD2810202991 Moscow TASS in English 1811 GMT 28 Oct 91

[Text] Moscow October 28 TASS—The Soviet-Cyprus negotiations at the delegation level have been held right after the meeting between presidents of the Soviet Union and the Republic of Cyprus.

The sides continued the discussion of issues of mutual interest in the spirit of well-wishing and mutual understanding, sources at the Soviet president's staff told TASS.

Special attention was given to the settlement of the Cyprus problem. Mikhail Gorbachev said favourable conditions for making the settlement around Cyprus more dynamic have been recently shaping. It is in the interests of Cypriots and the whole international community to use these possibility in full measure.

President Georgios Vassiliou supported this idea.

The sides also discussed aspects of the development of bilateral relations. They stated that the potential of mutual economic cooperation has not been exhausted. Alongside traditional trade, new forms of economic relations should be used.

In this connection, President Vassiliou offered to use the experience and possibilities of Cyprus in a Soviet area, for instance, in the Krasnodar region, including investments in the industry, agriculture, tourism and some other spheres.

The Soviet president actively supported this offer.

The negotiations were attended by Arkadiy Volskiy, Boris Pankin, Andrey Grachev, Soviet Ambassador to Cyprus Boris Zenkov, as well [as] Cyprus Foreign Minister Georgios Iacovou and other members of the delegation accompanying President Vassiliou.

Vassiliou Holds News Conference

LD2810205191 Moscow TASS in English 2001 GMT 28 Oct 91

[Text] Moscow October 28 TASS—"I am extremely glad and satisfied with the meeting and talks with Soviet President Mikhail Gorbachev," President of Cyprus Yeoryios Vassiliou told a news conference in Moscow today.

He is staying in the Soviet Union on a working visit.

Speaking about the problems of Cyprus, the president said the two sides expressed complete understanding on that issue. Vassiliou expressed gratitude to Gorbachev for willingness to consider ways of settling the problem, as well as his readiness to discuss the issue with U.S. President George Bush in Madrid.

During the talks, he continued, the sides agreed on the need for a peaceful settlement that would benefit everyone: Greeks, Turks and the entire region. Vassiliou expressed hope that Turkey can find a peaceful solution of the problem guaranteeing the well-being and prosperity to all Cypriots.

Speaking about the Middle East peace conference in Madrid, Vassiliou noted that it was the result of efforts of the Soviet Union and the U.S.A. and their resolve to attain progress on that issue. In order to attain peace, Vassiliou said, Arabs and Israelis should find ways of solving the conflict.

According to the president, the fact that the conference will take place is set to influence the solution of the Cypriot problem.

Madrid Talks Can Help Solve 'Cyprus Knot'

PM2810170791 Moscow PRAVDA in Russian 28 Oct 91 p 5

[Vladislav Drobkov "Viewpoint": "Time To Unravel the Cyprus Knot Too"]

[Text] The Near East peace conference is due to open in Madrid in a few days. The lead-in to this event has been a long and winding road. The Near East conflict has heated the world atmosphere over many years to a dangerous level, regularly taking the form of bloody

outbreaks of violence. In effect the flame of war has blazed in the Near East for several decades. Now at last a real chance is emerging for settling the Arab-Israeli conflict with the aid of the international community.

While welcoming that prospect, one is bound to note that the breakthrough in a Near East settlement could help to strengthen peace and security in the region even more if another knot of problems, the Cyprus knot, was unraveled at the same time. For more than 15 years now the Republic of Cyprus has been divided in two by force of arms, and hundreds of thousands of Cypriots driven from their homes are still refugees. All attempts to restore the island state's independence, sovereignty, unity, and territorial integrity have hitherto failed.

For a long time the failure to resolve the Near East conflict—a conflict on a larger scale and presenting a greater danger to mankind—made it impossible to find a way out of the Cyprus deadlock. The confrontation in the region was too acute and the desire to reinforce NATO's southeast flank too blatant.

Now the situation is definitely improving. If it proves possible to ease the general tension in the eastern Mediterranean, the main obstacle to a peaceful settlement of the Cyprus problem will be the tough, unyielding stance espoused by the Ankara-backed Turkish Cypriot community leadership. Suffice it to say, only Turkey has officially recognized the so-called "Turkish Republic of Northern Cyprus" proclaimed back in 1983 on the territory under Turkish troop control.

I think that new favorable opportunities are now opening up for a settlement of the Cyprus crisis. If the Near East international conference is successful, it will be very hard for the opponents of a Cyprus settlement to oppose the convocation of a similar conference to deal with the Cyprus problem. As is well known, the Soviet Union advanced the idea of such a conference back in 1974, an idea backed by the Cypriot Government and broad circles in the international community. And the Cyprus problem cannot fail to be broached at the conference in Madrid itself or during the meetings planned within its framework, because it is closely linked to the Near East problem geographically and in essence.

The Cyprus knot can and must be unraveled. Not only the principles of justice and humanity but also the pressing interests of strengthening peace and security at the junction of the three continents, so long a source of threat to future generations, make a solution essential.

FRG's Genscher on European Integration

LD2810185691 Moscow TASS International Service in Russian 1810 GMT 28 Oct 91

[Text] Moscow, 28 Oct (TASS)—"The development of confrontational tendencies must not be permitted in Europe," FRG Foreign Minister Hans-Dietrich Genscher stated today at the end of his visit to Moscow.

The stabilizing element of integration must be extended to the USSR and the countries of central and Eastern Europe, the German minister said in an interview by "IZVESTIYA", published in the newspaper's evening edition. The cooperation that we have within the framework of Europe must be steadily widened. Genscher noted the importance of dialogue and cooperation between NATO and the former countries of the Warsaw Pact that would make it possible to embark upon the creation of a single Europe-wide security and cooperation space.

According to the minister, Germany "has always given support to the reforms in the USSR, not only in words, but also in deeds." The process of including the USSR in the international financial organizations must be continued, he stressed. "But for this it is essential that the Union and the republics reach clear agreement between themselves about the division of powers, having given the necessary guarantees of the observance of existing and future accords," Genscher said.

Army General in Norway To Strengthen Ties

LD2910104491 Moscow TASS International Service in Russian 1840 GMT 28 Oct 91

[By correspondent Sergey Neshumov]

[Text] Oslo, 28 Oct (TASS)—Army General P. S. Grachev, first deputy minister of defense of the USSR, arrived in Norway on an official visit today. The purpose of the visit is to strengthen Soviet-Norwegian contacts in the military sphere and to establish closer mutual understanding between representatives of the Armed Forces of the Soviet Union and Norway.

The agenda of the Soviet military leader and his delegation includes meetings with the defense minister and representatives of the command of the Armed Forces of Norway, as well as visits to headquarters, bases, fortresses, and other military sites in various parts of Norway.

Economic Fears Slow French Cooperation

PM2810115591 Moscow IZVESTIYA in Russian 28 Oct 91 Union Edition p 3

[By special correspondents Yu. Kovalenko and A. Ostalskiy: "USSR and France Agree To Maintain Close Contact at the Madrid Conference"]

[Text] Paris—"Disorganized elements in the Soviet Union's economic life" and outstanding debts on the Soviet side are the reasons for difficulties in developing economic cooperation between the USSR and France, according to a source in the Soviet delegation summing up the results of Boris Pankin's official two-day visit to Paris.

These problems were discussed openly at negotiations between our minister and French leaders. At all the

talks—with National Assembly President L. Fabius; Senate Chairman A. Poher; M. Vauzelle, head of the lower parliamentary chamber Foreign Affairs Commission; and, of course, with French Foreign Minister R. Dumas—the situation in our country was one of the central themes. His interlocutors did not hide their concern: What will happen to the nuclear weapons if the Union disintegration process gets out of control? How and to whom should economic aid be offered if it is impossible to divine whether the USSR still exists?

A vital culmination to Boris Pankin's official two-day visit to France was a meeting with President Francois Mitterrand, who was handed a message from Mikhail Gorbachev on questions of economic cooperation between the two countries. F. Mitterrand stressed his intention to continue doing everything possible to help the Soviet Union overcome its current difficulties.

At the final news conference, the Soviet minister announced that France would like us to create a balance between the center and the republics while remaining a united power in relations with the rest of the world.

As for the Soviet Union's nuclear weapons, B. Pankin stressed at the meeting with journalists that they are under centralized control: They are in the hands of the USSR president, and he alone is authorized to use them. Meanwhile, the Soviet minister expressed support for F. Mitterrand's initiative on holding a meeting of the heads of four nuclear powers to discuss the question of the future of our nuclear arsenals.

During the exchange of views on international problems, much attention was given to the further development of the pan-European process, which the Soviet Union and France played a notable role in instigating. It was noted that the progress achieved in this area fits in well with the Soviet common European home idea and the French idea of a European confederation. F. Mitterrand highlighted the significance of preserving USSR unity in order to maintain the equilibrium in Europe and the world.

Despite all our problems, the French side is still prepared to resolve practical questions of cooperation—for example, in the sphere of science, personnel training (although criticisms were expressed here: trips by our specialists to France often turn into blatant tourism), and defense industry conversion.

At the news conference B. Pankin stressed that France is following the revolutionary transformations in our country with deep sympathy and is ready to assist in overcoming difficulties. At the same time, its business circles are showing impatience and dissatisfaction over our slowness in resolving problems that are hindering the development of cooperation, particularly those linked with reconstructing the oil industry.

Matters are simpler with pure foreign policy questions. In this sphere the Soviet Union continues to be seen as an important partner—and more reliable than before. Thus, the two countries' foreign ministers noted the important role of Soviet diplomacy in elaborating the agreements on Cambodia, stressing the need for a cautious approach to this compromise that was arrived at with such difficulty. That the Cambodia compromise is in fact none too stable was clear from Paris, too: The ink on the agreements is barely dry, as they say, and already serious complaints are being voiced over Khmer Rouge violations of them.

Soviet diplomats also had to explain to colleagues and journalists that the intention to accredit our envoy to the Cambodian Supreme National Council [SNC] by no means signifies a break in diplomatic relations with the Hun Sen government. Previously existing state structures have certainly not disappeared, and Hun Sen himself is part of the SNC.

Now, the "baton" is being handed to Madrid, where the international peace conference on the Near East opens 30 October. How many years will it take, observers ask, to repeat the "Cambodian success," which took two and a half years to achieve? You know, the Near East knot is being pulled ever tighter... For now, the USSR and French foreign ministers have agreed to maintain close contact and to coordinate their efforts at the Madrid conference.

USSR Foreign Minister B. Pankin returned to Moscow 25 October.

Latin America & Caribbean

Foreign Ministry on Salvadoran Peace Process

LD2710151291 Moscow TASS International Service in Russian 1629 GMT 25 Sep 91

[By diplomatic correspondent Sergey Staroselskiy]

[Text] Moscow, 25 Oct (TASS)—The Soviet Union agrees with the positive assessment of the latest round of negotiations conducted under the aegis of the United Nations between the Salvadoran Government and the leadership of the Farabundo Marti National Liberation Front, which ended in Mexico City. This was announced today by an official representative of the USSR Ministry of Foreign Affairs in an interview with TASS. He noted that although the two sides did not reach any specific accords on the questions of political settlement under discussion, the search for mutually acceptable solutions was continued.

The Foreign Ministry representative stressed that it was hoped that the Salvadoran Government and the rebel leadership would continue trying to use the possibility of more rapid progress in negotiations to its fullest extent. He said: "In our opinion, the end of the Salvadoran peace process before the end of this year is a very realistic target, and we are ready, with other members of the international community, to do what we can to help solve this problem."

Foreign Ministry on 'Close' Ties With Cuba

PY2510231391 Moscow Radio Moscow in Spanish to Cuba 0230 GMT 24 Oct 91

[Interview with Aleksey Yermakov, chief of the Cuba Section of the Soviet Foreign Ministry, by unidentified correspondent; place and date not given—recorded]

[Text] [Correspondent] Soviet-Cuban negotiations on practical matters related to the evacuation of the Soviet brigade from the island should be held in Havana in late October or early November. On the eve of these talks, we asked Aleksey Yermakov, chief of the Cuba section of the Soviet Foreign Ministry, to comment on the current status of Soviet-Cuban relations.

[Yermakov] I could describe relations between our two countries as close and traditionally friendly. A multifaceted cooperation program operates within this framework. Another feature is the profound change that has taken place in the various facets of our relations. A steady course has been taken to free Soviet-Cuban relations from any ideological influence.

[Correspondent] In your opinion, what are the prospects for Soviet-Cuban relations?

[Yermakov] In the future, we plan to base our relations with Cuba on generally accepted principles among states, maintaining of course the positive aspects of more than 30 years of cooperation.

Ties between Cuba and the new sovereign states, which were formerly federated Soviet republics, will come first. Our economic and trade relations will be focused on mutually beneficial cooperation, taking into account the real possibilities of both parties.

Our country continues to be interested in purchasing sugar, nickel, citrus fruits, and other traditional Cuban export items. The Cubans are interested in receiving numerous Soviet articles.

New forms of cooperation are envisaged in the area of economic relations, including joint Soviet-Cuban commercial and industrial enterprises. I believe this is a very promising area that will include those Cuban enterprises that were built with Soviet aid. At present, these enterprises are not operating at their full potential. Some of them could increase their production, and their products could be sold in Cuba and exported to other countries.

Our reciprocal military ties have also been rectified. Both parties are aware that in this area we must act in accordance with principles governing military sufficiency. Shipments of Soviet materiel and assets will be gradually discontinued [iran desligandose].

[Correspondent] What is the Soviet position regarding Cuban-U.S. contacts?

[Yermakov] The Soviet Union has always considered that it would be in the best interests of the U.S. and Cuban peoples to overcome the confrontation in their relations.

A respectful dialogue in which both parties would be on an equal footing must be established. All existing problems must be addressed during this dialogue. In our contacts with the U.S. Administration, we have time and again said that the Soviet Union lauds the progress made toward normalizing Cuban-U.S. relations. We hope that the goodwill gesture we have shown through our negotiations with Cuba on the evacuation of the Soviet brigade will be understood by the United States. These negotiations are proof of the Soviet desire to promote a normalization of Cuban-U.S. relations and the demilitarization of the region.

Commentary Protests Leaving Cuba in 'Lurch'

PM2510161191 Moscow SOVETSKAYA ROSSIYA in Russian 25 Oct 91 p 3

["Our Commentary" by V. Mironov: "We Are Leaving Both Cuba and Ourselves in the Lurch"]

[Text] In curtailing cooperation with Cuba, we are losing out not only politically. Our publications have written and are writing plenty about Cuba. In the past they did this with enthusiasm. Then a relative lull in news set in, although in 1986 the far-off island began to implement the Cuban version of economic and social recovery, known as "rectification," by which was meant the rectification of past mistakes while taking into account local features, historical traditions, and the political convictions of most Cubans. Of late publications that consider themselves independent and democratic are outright up in arms against Cuba. The same journalists who were previously quick to describe the fruits of Soviet-Cuban cooperation seem to have begun to compete even giving their Western colleagues a run for their money, in discrediting a country friendly to us.

An extremely typical example is the coverage of the work of the recent Cuban Communist forum in the city of Santiago de Cuba. The attention of both friends and vehement enemies of the socialist state in the Western Hemisphere was riveted on it. It was reasonable to expect our mass media to provide objective coverage of such an important event and in-depth, unbiased analysis of the speech delivered by the country's leader, Fidel Castro, in which he dwelt in detail on the current state of Cuban-Soviet ties, which we only recently considered an example of equal and friendly relations between two states. However, only abbreviated, clearly biased reports appeared, unfriendly toward a country with which we are linked by many good things. I will cite just one instance: Since March 1990 Cuba has been receiving Soviet children from Belarus [Belorussia], Russia, and the Ukraine who suffered as a result of the Chernobyl disaster

throughout the year for treatment and recreation. In that period more than 5,600 of our children have regained their health there.

Like it or not, Cuba has once again confirmed its socialist choice, and its people are themselves deciding their future, for which we can only respect them. Our friendship and cooperation with the Cubans have always been fruitful. The political turmoil in our country, however, is bound to affect the once-strong relations between our countries that developed over the last few decades, primarily in economic and trade spheres.

F. Castro's speech at the congress indicates that the Cuban leadership has now clearly seen the need for a more cautious assessment of the prospects for these relations. "The point is not that economic ties with the USSR have been destroyed," he noted, "but that no one can at this time guarantee that this country will continue to exist as a great multinational state."

Events in the Soviet Union, F. Castro noted, "have affected us ideologically, but most of all economically." Serious difficulties have arisen in building 84 important Cuban economic industrial facilities, including nickel combines and oil refineries, being constructed with USSR technical aid. There have been considerable disruptions in trade relations. This year Soviet deliveries of many goods have declined drastically or even been "nonexistent," despite Cuba doing everything it can to meet its commitments under the 1991 agreement. It is not its fault, for instance, that sugar we have not managed to export has piled up at Cuban stores since the start of the year. The situation now seems to have started to improve and some of the sugar has now been shipped out. However, it will still be some time before our country refines the raw sugar and supplies it to consumers, given the general muddle with transport. Yet we are waiting for this product to appear on our shelves since it is in such short supply.

There you have it, a flagrant example of utter mismanagement. We cannot even get a finished product on time and so will buy sugar abroad with dollars. Smart Western operators may well buy up Cuban sugar and sell it to us—needless to say, at a higher price. In short, this entire "bittersweet" saga threatens to cost the Russians a tidy sum.

Incidentally, people in Lithuania, now an independent state with similar problems with this product, have been efficient and have already suggested to Cuba bartering sugar for meat. What do ideological disputes matter when you are keen...

As for Russia, it only remains for it to forget about Cuba and hanker after the world market. Incidentally, by failing to deliver our traditional commodities to Cubans as agreed, we are thus impelling Cuba to seek more reliable partners, which it has already begun to do. In a recent interview with Austria's DER STANDARD, F. Castro said that it would take some time for his country to adapt to the new conditions, but "we will find new trading partners and ensure adequate commodity turnover."

The Cuban Communists' congress outlined recommendations for further foreign trade reorientation. The main exports are still sugar, nickel, citrus fruits, tobacco, and a number of other goods. Goods that provide a rapid return of hard currency will be produced more rapidly. To that end provision has been made for foreign capital investments to be enlisted more rapidly so as to fund top-priority sectors and ensure new markets and sources of supply for raw materials and spare parts.

Cuban leaders make no secret of the fact that their country is experiencing a grave economic crisis, and they are aware that they must rely on their own efforts alone. Their former socialist allies in East Europe have turned their back on "Castro's totalitarian regime." The collapsing Soviet Union is losing its economic might and political clout and is itself forced to rely on Western economic and "humanitarian" aid.

The United States made the Soviet Union's renunciation of its close ties with Cuba one of the conditions for its provision of this aid.

So, after bringing Cuba into our political orbit in the past, we are deserting it in its time of trouble, effectively consigning to oblivion the long-term treaty on friendship and cooperation between our countries that was concluded quite recently, in April 1989. The bilateral economic and trade accords are not being observed either, which is aggravating the situation in Cuba and causing us palpable damage.

Cuba is still respected by many of the world's states, particularly in Latin America, whose peoples understand better than others from their own historical experience the real threat to Cuba from its northern neighbor. Venezuelan President Carlos Andres Perez said recently that the United States must stop its pressure on Cuba.

"We could understand the U.S. position toward Cuba," he stressed, "when this island was still a strategic base during the cold war, but in present-day conditions Cuba is no such thing."

However, confident of remaining unpunished, Washington is still tightening the blockade on the small country that has dared to pursue its own independent policy under the U.S. nose and to have its own viewpoint. At Cuba's request the question of the U.S. economic, trade, and financial blockade has been put on the agenda and will be considered at the routine UN General Assembly session under way in New York.

Supreme Soviet

Legislative Elections for Chairmen To Proceed

Ukraine Abstains

OW2810173891 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] Election of the only candidate, Konstantin Lyubenchenko, to the post of head of the USSR Supreme Soviet's Council of the Union will take place in spite of the absence of the Ukrainian delegation in this chamber of the Soviet parliament. The Ukraine is known to have sent its delegates only to the other parliamentary chamber, the Council of the Republics.

MP [member of parliament] Vladimir Kirilov told IF [INTERFAX] that "we patiently awaited the Ukrainian Supreme Soviet's decision and have gone our part of the way; now we have every reason to announce the election of the Union Council chairman. The Ukraine still has the opportunity to reconsider its attitude to the problem."

Union Council Results

LD2810150691

[Editorial report] Moscow Radio Rossii Network in Russian at 1430 GMT on 28 October carries a one-minute report by correspondent Nikolay Artemyev on today's USSR Council of the Union session held in Moscow. After briefly setting the scene, Artemyev says: "Literally just now, the results of a secret ballot have become known: Konstantin Dmitriyevich Lyubenchenko received 127 votes for and 12 against. Thus, the chairman of the Union Council has been elected. The chamber will convene tomorrow morning to start forming standing commissions. It is not out of the question that tomorrow, elections for the chairman of the Council of the Republic will take place. Nikolay Artemyev, information service."

Short Biography of New Chairman

LD2810182491 Moscow TASS in English 1748 GMT 28 Oct 91

[Report from the Kremlin by TASS correspondent Ivan Novikov]

[Text] Moscow October 28 TASS—Konstantin Lyubenchenko, 46, a jurist and a scientist, has been elected practically unanimously today the chairman of the Council of the Union, one of the two chambers of the Soviet parliament.

He replaced on this post Ivan Laptev, who has recently resigned.

The election of Lyubenchenko is explained with his authority in the parliament. Deputies noted he advocates "neither left-wing or right-wing views", and is guided by the common sense, not emotions.

Lyubenchenko has previously run for chairman of the USSR Supreme Soviet together with Anatoliy Lukyanov, who is now under arrest.

Presenting his programme, Konstantin Lyubenchenko stressed that his major task is active participation in the formation of a powerful and authoritative parliament and the consolidation of the future union of sovereign states.

Soviet of Republics Chairman Elected

LD2910115691 Moscow Radio Rossii Network in Russian 1100 GMT 29 Oct 91

[Report by correspondent Nikolay Artemyev]

[Excerpt] At the USSR Supreme Soviet the results of the elections for the post of chairman of the Soviet of the Republics have just emerged. By a majority vote, Anuarbek Tuluibekovich Alimzhanov has been elected. The secret ballot was held republic by republic. Delegations from Belarus, Kazakhstan, Kyrgyzstan, the Russian Soviet Federated Socialist Republic, Tajikistan, Turkmenia, and Uzbekistan participated in the vote, which was crowned by his victory. The new chairman of the chamber has assumed his duties and is presiding over the Soviet of the Republics meeting now in session.

Anuarbek Alimzhanov is from Kazakhstan. He is 61, a professional journalist, and a writer. He received the majority vote from all the republican delegations. [passage omitted]

Observer Interviewed on Direction of Legislature

LD2910084991 Moscow TASS in English 1606 GMT 28 Oct 91

[By TASS correspondent Valeriy Demidetskiy]

[Text] Kishinev October 28 TASS—Deputies from the seven republics taking part in the work of the current Soviet parliament session are now trying hard to create a union of the old type," Georgiy Ghimpu, a Moldavian observer in the Soviet legislature, said in an interview here today.

According to Ghimpu, the new chamber of the Soviet parliament has failed to recognize the state independence of the fifteen republics of the former Soviet empire and cancel the constitution that hampers the democratisation of society to clear the way for the discussion of a new economic community on the pattern of the present European economic space.

According to the Moldavian observer, "Soviet parliament deputies are not fully aware of what they are doing

or they have conspired to discredit the very idea of cooperation among sovereign republics."

Political & Social

Interrepublic Security Service Council Formed

Gorbachev Signs Decree

PM2810151791 Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 91 First Edition p 3

[Decree "On Interrepublic Security Service Coordination Council"; signed by USSR President Gorbachev in Moscow on 24 October]

[Text] In connection with the reoranization of the state security organs I decree:

1. That the USSR KGB coordination council formed by the USSR president's 11 September 1991 decree (Records of the Congress of USSR People's Deputies and the USSR Supreme Soviet, 1991, 38, article 1097) be transformed into the coordination council of the Interrepublic Security Service [ISS].

2. That it be established that the staff of the coordination council should include ex officio the leader of the ISS, the director of the USSR Central Intelligence Service, and the leaders of the security organs of the sovereign republics (states).

3. That the coordination council determines the procedure for its activity; its decisions are implemented by orders of the leader of the ISS.

[signed] USSR President M. Gorbachev, Moscow, Kremlin, 24 October 1991.

Holds First Session

LD2810205691 Moscow TASS International Service in Russian 1909 GMT 28 Oct 91

[Text] Moscow, 28 Oct (TASS)—The coordinating council of the Interrepublican Security Service, which was set up in accordance with the decision of the Supreme Soviet on the basis of the USSR KGB, held its session in the capital today. Members of the council examined and approved, in the main, the draft temporary provision on an Interrepublican Security Service. It was agreed that the Interrepublican Security Service will coordinate the activities of the service's subdivisions and the sovereign republics' security bodies on issues pertaining to their joint jurisdiction; will provide information for the activities of security bodies; and will carry out analytical research into security problems of mutual interest, as well as operational investigative activities agreed on with the republics, and material and technical back-up; and will carry out scientific research for the activities of security bodies, the training and retraining of cadres for the republican security bodies, and other functions set out in the draft temporary provision.

Members of the council supported the proposal to set up an institute of permanent representatives of the sovereign republics' security bodies in the Interrepublican Security Service. Taking into account the results of the discussion, it was planned to submit the temporary provision on the Interrepublican Security Service for consideration by the USSR State Council and USSR president as soon as possible. The coordinating council recognized the necessity to conclude bilateral agreements between the republican security bodies and the Interrepublican Security Service as soon as possible and expressed its intention to take an active part in drawing up an interrepublican treaty on collective security.

Silayev on Future of Central Ministries

LD2910101191 Moscow TASS in English 0933 GMT 29 Oct 91

[Text] Moscow October 29 TASS—"The Interstate Economic Committee needs no Finance Ministry, because its budget is formed of fixed contributions by the republics," chairman of the committee Ivan Silayev told the "GOVERNMENT HERALD" recently. His statement is published in the latest issue of the newspaper. "We cannot set up bodies in which the republics are not interested," he stressed.

"So far the republics have agreed to have a central cultural committee, as well as railways, and atomic energy ministries. There will be no women's, youth or veterans' committees in the Interstate Economic Committee," Silayev noted.

As many as 37,000 men will be discharged from the central ministries and departments. Silayev believes that most of them will get jobs in the newly created Russian ministries.

"The Interstate Economic Committee will take over the functions of the Committee for the Operational Management of the National Economy next year, after the republics sign the first 10-15 agreements, establishing the mechanism for implementation of the Economic Community Treaty. Then the structure of the Interstate Economic Committee will be finalised," Silayev stressed.

Bakatin Views New Face of Security Service

IZVESTIYA Interview

PM2510204591 Moscow IZVESTIYA in Russian 26 Oct 91 Union Edition p 1

[Unattributed report: "Vadim Bakatin at IZVESTIYA's Editorial Office"]

[Text] He appeared in the chief editor's reception room accompanied only by his press secretary Yelena Ozrina. There were no bodyguards, as is customary for someone in his position. After exactly one-and-a-half hours, V. Bakatin excused himself, said goodbye, and left—affairs

of state. There were no other restrictions during the conversation between IZVESTIYA staffers and the country's KGB chairman. We are publishing an article by him in today's issue. By way of an introduction, here are some facts that Vadim Bakatin shared with us.

...Do you want to take a look at the files on IZVESTIYA staffers? If we have them, then be my guest. True, I am not advising you to do this, just as I did not advise Ion Drutse to do likewise. He also approached me with the same question. I tracked down his file: a whole volume. The case had been going on for five years. I turned the pages over... and advised Drutse not to take a peek at those papers. How very unpleasant to read the denunciations when there are familiar signatures there...

Incidentally, Yelena Bonner made the same request of me, searching for Andrey Sakharov's manuscripts and diaries. I gave people the job of finding the academician's file. But they reported to me that "papers" on Sakharov, it turns out, were not collected. I had to check up on my officers. And it turned out that they had deceived me: There was a file on Sakharov—540 volumes! But the act on destroying the entire archive was drawn up in 1990. True, I am not sure whether that was what happened in actual fact. Because the writings and diaries of A. Sakharov are priceless, to destroy them is beyond stupidity.

...I do not think that we are being bugged here, in the IZVESTIYA chief editor's office.

...We are all from party stock. I too came from there. First the MVD [Ministry of Internal Affairs], then the KGB. But you yourself know that the CPSU has nothing to do with with my appointment.

...Alas, the KGB in its old form was not an organ of information but rather one of disinformation for the country's president. That was also the case in the Lithuanian events in January this year.

...Really, when applying for one of your employees to travel abroad, do you send a request to the KGB? Evidently this is done in order to ascertain whether your colleague is a carrier of secret information. But, I think, it is necessary to get rid of the KGB's guardianship very soon in this matter too. Enterprises and institutions must decide for themselves and take responsibility for their own people.

...I can say one thing about the action by DER SPIEGEL in the State Committee for the State of Emergency affair—according to our information, it was a commercial deal that is prevalent in foreign journalism: Some people wanted to sell information, others had the money for such an expensive purchase. And the attempts by our press to introduce a political motive here are unsubstantiated. But we will check the mechanics of the deal.

...Today all departments are trying to rid themselves of the KGB's presence among their employees—diplomats, journalists. And in this respect I understand IZVESTIYA staffers. Nobody must know our people: neither the ambassador nor the chief editor. If we manage to do that, it means that we are working professionally.

Principles of Security Reforms

PM2810143491 Moscow IZVESTIYA in Russian 26 Oct 91 Union Edition p 4

[Article by Vadim Bakatin: "We Are Continuing To Celebrate. We Have Not Gotten Down to Work"]

[Text] Two months have passed since the inevitable failure of that reckless, cowardly attempt to restore the old reactionary politics of solving everything from the center by force. Those days were filled with emotion and a sense of anger, grief, and novelty... The people did not take fright. It was those who saw order in violence who took fright. Neither the absurd tanks in the streets, nor the customary mendacity of the new promises of the "Soviet leadership" now issued in the name of the State Committee for the State of Emergency [SCSE] worked.

The old center is dead. The tandem of the government and the CPSU Central Committee Politburo has collapsed once and for all. The agonizing quest for what, as has become clear, did not exist has ended. The CPSU leaders had no desire nor, more importantly, the ability to renew themselves. Blind, they cheerfully strode into the pit of conspiracy and thereby involuntarily performed a good service by speeding up the removal of ideological sabotage from the path to reform.

During that time people celebrated on the streets of Russia the triumph of the finally accomplished breakthrough in the perestroyka revolution, which had been starting to decay.

The time for festivities is over. The muddle of the daily round is back. But I cannot rid myself of the strange feeling that we are continuing to celebrate. We are not getting down to work.

What Is To Be Done With the Country?

Wasting time yet again, we blithely fail to notice how the ideas of democracy and common sense, having triumphed over reactionary dogmatism, are shedding their democratic features and how common sense is being lost. And new leaders, elbowing one another out of the way, are boldly heading toward an equally dangerous cliff edge.

The country and the people are objectively in a most difficult situation. The arguments can be seen outside your window: In the lines of thousands of people waiting for sugar, flour, and vodka. What we have here is economic chaos, which we will be able to deal with only if we achieve a minimum of political stability and trust in the authorities and a general appreciation of the inevitable difficulties that attend the only way of overcoming them, via free enterprise, initiative, and energy.

Otherwise this chaos will lead to a most powerful eruption of people's discontent, which will bury both our statehood and our fledgling democracy. Which was precisely what the putschists wanted.

The plotters were bent on thwarting the formalization of new relations among the republics. And it was thwarted. The Union is falling apart. I am not thinking of the old unitary Union, cemented by a single ideology, violence, and lies. It is pointless to regret that. No, a multinational organism connected by thousands of economic, cultural, and human relations is falling apart. I would stress human, because, despite the official line of the ideologists of the old system who invented the desiccated formulas of a "single community," human relations among Russians, Georgians, Uzbeks, Ukrainians, Kazakhs, Tajiks, Jews, Ossetians, Tatars... human relations among us all, did exist. They existed when there was no right to anything other than the official ideology. They existed as a natural reaction of self-defense against being suffocated. They were natural because they were human, rather than "interethnic" or "interstate."

Now, however, on acquiring the ideological freedom and natural right to be a democrat, conservative, Christian, or Jew, we have started to forget what lies behind this finally acquired right to be an individual—the essence of humanity and the duty to act as a human being. "Class" approaches are being replaced not by the "priority of common human values," but by universal selfishness.

We will fail if we are not people first and foremost rather than Russians or Armenians, believers or atheists, democrats or SOVETSKAYA ROSSIYA readers. There is no other way out of this very difficult predicament of ours.

We must not oversimplify what is happening in the country by putting it down to someone's malevolence. We stand at the crossroads of two objective, historically inevitable processes.

On the one hand, the inevitable collapse of the imperial, centralist Union. It has almost happened now. From this standpoint, the republics' desire for autonomy and independence is progressive.

But, on the other hand, the worldwide process of integration is equally historically inevitable. There is no hiding from it. It cannot be halted. From that standpoint, separatism and everything associated with it are reactionary and historically doomed.

It has proved very difficult to make a smooth transition from one process to another. It is like trying to jump from one train to another going in the opposite direction.

The situation is being made worse by numerous subjective and objective factors rooted in the past and present.

These factors include communist ideology and the distorted, militarized economy it generated. Trusting to force, they impeded the natural evolutionary process in nation-state building, and thereby caused the old statehood to explode, confronting everyone with the fact of the country's headlong destruction.

These factors include the effective absence of democratic political structures and a social base for democracy, the low level of general political awareness, the undeveloped nature of the market, market mentality, and the entrepreneurial ethos, the distorted structure of the economy, and much else, which go to show the immature nature of conditions for natural processes of integration.

And yet... It might be possible for us to part company and wait until all these conditions for unification come to mature. I wish I was wrong about this, but the problem is that that is impossible. What took centuries to fuse together cannot be divided by a vote in the supreme Soviet or by a rally. You cannot go against the natural progress of history with impunity.

All sensible people have long understood that we can only live without bloodshed and violence if we show mutual good will, rather than seeking to divide up what no longer exists. And all the claims that that is how things were under Ivan the Terrible are provocative, to say the least. History, no matter how grievous and bitter, cannot be rewritten. The times are different now and so are the generations. It is madness to resurrect old enmity, condemning one's children and grandchildren to it.

Unfortunately, many saw in the downfall of the plot not so much a victory for the forces of democracy, not just the possibility of qualitatively new creative activity, as the failure and discrediting of central power and the possibility of "covertly" seeking, heedless of the consequences, to wreak havoc and speedily "solve" their own "national" problems. The objective interests of politicians who, as before, were concerned with strengthening their own power, rather than the interests of the peoples, came to the fore here, of course.

But power is not strengthened by one-sided statements or threats. Trust is the source of strength of all democratic power. Trust presupposes sensible, optimal decentralization. This is equally true at "Union," republic, or oblast level.

When a dictatorial center existed, the desire to reject it was progressive. Now there is no center. The leaders of the sovereign states should themselves create a center in which they can trust. It will help stabilize the situation inside the republics too if steps are also taken to exclude diktat on the part of the republics themselves against any national-state formations or regions.

It is not important what kind of agreement—economic, political, military-political—is signed first. Let the republics become entities in international law. Let us open 2,000 new diplomatic missions in other countries if we have so much spare foreign currency. Let us not adopt a Union constitution—there will be enough republic ones.

But the Union is necessary. If only because no one will be able to guarantee his territorial integrity outside it. Without at least a mental sense that the Union exists, Russia, the Ukraine, Kazakhstan, and the rest will disintegrate or turn into a battlefield. One separatism inevitably and immediately spawns another. And, having put an end to the Union, we will immediately move the disintegration process to the republics, and there will be nowhere to run.

We will artificially foment the problem of that part of the population of republics which does not belong to the indigenous nation. This category of people (and there are tens of millions of them) will, as separatist tendencies intensify, be forced to defend ever more resolutely their own rights as they understand them or as dinned into their heads by nationalist politicians through the mass media. From whichever direction. I championed the independence of the Baltic states to the utmost, I did not believe the prophecies of the "Soyuz" politicians. I am sincerely glad that justice has triumphed. Independence has been achieved. But I do not want Alksnis' "prophecies" to come to pass, I cannot accept the "ungentlemanly" way in which the young independent states are beginning to behave. Leave behind their sense of reality, they are passing discriminatory citizenship laws; as if there were not more pressing tasks, having endured things for 50 years, they are exhibiting a hasty "boldness," sitting as uncompromising judges of the past; they are demanding absolutely unrealistic deadlines for the withdrawal of troops, and so forth. And all this even before talks have begun. Civilized politicians, and the Baltic parliamentarians have always been regarded as such, should not descend to a petty act of vengeance against the past system by humiliating people who now live alongside them through no will of their own.

I should like to believe that these symptoms of the supplanting of the democratic spirit by nationalism will not become the rule. They will remain the exception, no more than a temporary eclipse produced by the flush of success. But this does yet again confirm the rule that separatism and nationalism are inseparable, while democracy is always international.

Separatism is pernicious in the economic sphere too. It is well known that the plotters' goal was to block market reforms, the freedom and independence of manufacturers in the single economic space, and the country's full accession to world economic ties. And all these goals are now being "successfully" realized.

Whereas previously the implementation of market transformations was held up because of ideological sabotage from the center, it is now becoming increasingly problematic because of the separatism of the republics. Instead of recognizing our general and complete economic illiteracy and getting down with the help of international institutes and experts to creating the legal and organizational conditions necessary to launch healthy entrepreneurial activity, we are aggravating the crisis by destroying rather than reforming the remnants of the national economic complex and are continuing to divide up an ever diminishing product.

Sovereign states, and behind them the oblasts, are seeking to keep on their own territory the slices of the common economic pie which they produce. Ludwig Erhard, creator of the postwar German "economic miracle," has correctly remarked that "The solution lies not in dividing up the national product, but in increasing it. Those who direct their attention to the problems of distribution always end up with a mistaken desire to distribute more than the national economy is in a position to produce." No one in our country now thinks any more about how to increase production, let alone doing so on a new basis. Everyone is engaged in dividing up or "mediating."

The processes of privatization are marking time. There is no improvement in the development of private farming. You get the impression that the new authorities, having taken property away from the center, are in no hurry to give it up. But in that case it does not matter who is in power—democrats or reactionaries, supporters of the old Union or its opponents; the fact that property remains state—whether Union or republic—property, and has not gotten 1 millimeter closer to people, is bad news. And yet Adam Smith knew that "people who have absolutely no right to acquire property can be interested only in eating as much as they can and working as little as they can." Again the solution is to come down to the level of people. To give anyone who so wishes the opportunity to set up his own business. And to create for this a rigorous mechanism to assist the entrepreneur and to make accountable the officials—now "democrats"—who hold this process up for their own advantage.

Separatism poses a threat to what is called strategic economics. A common circulatory and nervous system exists today—commodity pipelines, long-distance communication lines, outer space, main railroad lines, the integrated power grid—and severing this system could prove fatal to the economy of any republic. Without any exaggeration, it would be literally fatal to break up the powerful integrated and truly indivisible complex producing fissile materials, which has been passed down to us and which requires special discipline and intellect of the highest caliber. And here reason deserts us along with our self-preservation instinct.

The problem of separatism has a foreign economic aspect too. The former Union's foreign debt ranges from $50 billion to $70 billion, according to different estimates. We are engaged in the problem of how to divide up the debt payment among the republics. Only three republics really have the potential to pay it. Those who granted the credits have no desire to deal with different legal entities. The world is connected by economic agreements and treaties to one state, not 15.

There is also the problem of foreign investments and finance for our economic reforms by the world community. Who should receive finance, and in exchange for

what? Even where there is the desire—naturally, not disinterested—to help, this question confounds experienced Western economists and politicians.

To some extent the plotters are also triumphing in the foreign policy sphere. Clearly, a victory for them would have negated all the achievements of the new political thinking and destabilized the entire system of international and European security. And it has been destabilized. Joy at our democratization has given way to fear. The world now trembles at our day-to-day changes, fearing that it is not only Russians, Uzbeks, or Ukrainians who could end up buried beneath the ruins of the collapsed Union.

The nuclear problem is most acute. The transfer of all nuclear weapons to Russia's control, which has been spoken of repeatedly, is simply a physical impossibility. Uncertainty on the question of the control of nuclear arms undoubtedly will not only exacerbate relations between republics, and not only jeopardize the Treaty on the Nonproliferation of Nuclear Weapons and greatly complicate relations with other nuclear powers and the disarmament process. The most important point, in my view, is that we are not yet properly aware of the enormous danger first and foremost to ourselves. Chernobyl was nothing compared to this.

Where does the way out of the present situation lie? I am convinced that the solving of these problems is being held up not so much because of political actuality as because of actual politicians, the clash of political wills and ambitions. The solution lies in leaders who recognize the full gravity of the responsibility that rests with them, who are trusted, and who are charged with deciding the future of peoples and countries.

What we should all fear most of all is the day when Yeltsin stops fighting, when Gorbachev washes his hands of it all, and the politics that prevails is the politics of those who work toward rupture, force, threats, and separatism by means of "punishing" separatists. It is wrong to seek short-term advantage: Thinking only in terms of today is, like uncertainty, the worst policy. We must not erect more and more new barriers in the path of possible consensus among the republics. We must show patience and restraint, and carefully agree among ourselves on everything that it is possible to agree on. We must see our advantage in the only real possibility, the possibility of extricating ourselves from the crisis together, albeit slowly and gradually. That is the only realistic way to achieve the goal (if such be the goal) of strengthening each republic's statehood.

Now is no time to be trying to establish who is most important and who will be the lawful heir to the collapsed Union.

That way of looking at things is wrong in principle. If the heir is to be Russia, say, then Russia voluntarily shoulders the entire burden of foreign commitments. Everyone else is free to start with a "clean sheet." You can be sure that there will be a funeral—and it will not only be the unborn Union of sovereign states that gets buried. But fortunately legal succession is decided not by unilateral statements, but by international legal norms.

What is needed now is a temporary agreement by the republics to entrust the resolution of common political, international, and defense questions to all-Union organs formed by the republics. The wisdom of those republic leaders who managed in spite of everything to secure the signing of an economic agreement can only be welcomed. This could be the beginning of the turnaround. The link from which the entire chain could follow lies in the economic sphere, in the creation of all the necessary conditions for private enterprise, especially small enterprise—from the private farmer to the healer.

It is high time to start implementing a controlled transition to the market. That will take considerable political courage, because the transition will not be painless, and initially will not endear its initiators to the people.

It is vitally necessary for the victorious democratic forces to stop thinking in terms of opposition to the center. They are not the opposition any more. They are in power.

In the present extremely complex situation the most important thing for the country and its peoples and governments is to return to a policy of common sense. Not to continue the stubborn struggle for political paramountcy, but to put all our efforts into real work which will make people's lives better, more tranquil, more secure. Otherwise we will just go on celebrating the plotters' victory.

What Is To Be Done With the KGB?

Security means stability of development. It is a multifaceted concept, incorporating the state of sociopolitical relations within the country, the economic situation, the potential for realizing the state's interests in the international arena, and the harmonious combination of the state's interests and society's. This kind of security, in the broadest sense of the term, is not now assured.

The situation regarding security in the narrow sense is not much better. All experience worldwide shows that no state has yet been able to manage without a foreign policy department, an army, security organs, police, and border forces. And each sovereign republic will reduce its citizens' security to a minimum if a vacuum is allowed to form in the security sphere, or if people lose confidence in it. Which amounts to the same thing.

For all the gravity of the situation in the economy, it does have a chance of recovery.

The economy functions according to objective laws, and even after doing so many stupid things, we can still rely on its own powers of recovery—on the basis of the laws of market forces, free enterprise, and so forth. In the sphere of the superstructure, the cost of a mistake can be incomparably higher. Just one subjective decision could

destroy at a stroke the Foreign Ministry, the state security system, or the Army. And these structures, for which the process of formation, the development of traditions, and the training of personnel took decades and more, will not recover of their own accord. Recreating them out of nothing will require more political decisions and a great deal of time and resources. This does not, of course, mean that the security structures should be retained unchanged. On the contrary. They must be subjected to a major reform. But not destroyed.

To place, say, the intelligence service under the jurisdiction of a single republic is ridiculous. For each republic to create its own intelligence service is doubly ridiculous. So what are we going to do, start spying on each other? Although it is true that that is precisely what some people are demanding.

When I was appointed to the post of chairman of the Committee for State Security [KGB], the republic leaders instructed me to submit proposals for a radical reorganization of this department. The need for such a reform was obvious to everyone.

In principle just one reason suffices here: the involvement of the top KGB leadership in the organization and implementation of the coup d'etat. But apart from that, despite the very low level of effectiveness of its work, the committee bore a significant share of the responsibility for lawlessness and repressions, ideological terror, the whipping up of the arms race, and the kindling of interethnic strife.

What did the USSR KGB consist of? Some figures which until recently were kept secret can now be cited. As of 1 September 1991 it had 488,000 people on its payroll, and annual expenditure on its maintenance was 6.4 billion rubles. More than half of all the personnel consisted of the border troops and other troops, while some 90,000 staffers worked in territorial (republic and oblast) organs. Work efficiency was extremely low. There was a great deal of inefficiency in the use of cadres.

The functions of the KGB as defined in the 16 May 1991 USSR Law "On State Security Organs in the USSR" were so extensive that the committee itself was a threat to the country's security, as became clear at the time of the putsch. The KGB was responsible for intelligence, counterintelligence, the provision of information to the highest organs of state power, the prevention and investigation of 18 types of crime against the state, the fight against organized crime, the organization of special types of communications and cipher work, the safeguarding of state secrets, the guarding of the border, and the maintenance of the readiness of control centers for the country and the Armed Forces. The state certainly cannot exist without all these types of activiyty, but the fact that a single body had a monopoly of them meant that it was unsupervised and excessively bureaucratized and came to believe (not without reason) in its own omnipotence. This state within a state, necessary under a totalitarian regime, is incompatible with a democratic constitutional system.

The **principle of functional dispersion** was accordingly taken as the starting point for the reorganization of the KGB. Within a month of the coup d'etat the Moscow Directorate, the Guard Service, Special Communications and Ciphers, the Special Forces, and the Communications Forces were removed from the jurisdiction of the committee's central apparatus. A Supreme Soviet decision of 11 October, which admittedly has yet to be signed, put an end to the existence of the USSR KGB. Three autonomous departments are to be set up on the basis of what was left of it—the Central Intelligence Service, the Interrepublic Security Service, and the Committee for Protection of the State Border. Thus the committee is dispersed into a series of independent organizations each of which will be under each other's supervision and under the democratic supervision of the organs of executive and legislative power and, of course, the public.

The second principle of reform is decentralization. The future security concept of the new Union of sovereign states should be based on the idea of the complete autonomy of republic security organs, in conjunction with mainly coordinating activities, and only to a comparatively small degree operational activities, by interrepublic structures.

Even before the abolition of the USSR KGB, orders have been issued for a significant widening of the financial, organizational, and manning rights of republic and local committees and the accelerated formation of Russian security services based on the Union committee. To replace the old KGB collegium, a coordinating committee of chairmen of republic committees has been set up by a decision of the State Council, though admittedly it has not yet begun work.

Agreements have been signed with the Ukraine, Moldova, and Belarus on regulating the protection of the border. Protocols or agreements on the division of powers for the transitional period between central services and the republic security organs of Russia, Kyrgyzstan, the Ukraine, Turkmenia, Belarus, Kazakhstan, Uzbekistan, and Moldova are ready for signing, and an agreement with Armenia is in preparation. Only Georgia and Azerbaijan are still objecting to such agreements.

Finally, **the third avenue is to increase efficiency**. This includes the reduction and rationalization of the apparatus and a radical change in the ideology of the special services' activity both with regard to the outside world and within the country. Complete rejection of the idea of serving any kind of ideology. The strictest observance of the rule of law. Openness—insofar as the specific nature of the work permits this. Directorate "Z," which was concerned not so much with its proper functions of the defense of the constitutional system as with combating

dissidence, has already been abolished. The implementation of all special measures is placed on a new, open normative footing.

The departments being set up on the basis of the KGB will not seek to be all-permeating and all-embracing. We have already abandoned the ideology of "total surveillance." Contacts with foreign special services are becoming more marked and more active.

We have stopped seeking the enemy in dissidence and the "imperialist threat." But we have not yet learned the art of analysis. Yet it is analytical information work, aimed at forestalling trends that are potentially dangerous to the community of states and its members and to society and the individual, that should be central to the activity of the country's special services.

There are also many other problems showing that the reform of the state security organs is only just beginning.

The legal basis for the special services' work is extremely weak. The aforementioned May law was obsolete even before it was adopted. It is a vestige of the past, and it should be suspended by the legislators. Draft new laws are currently being drawn up, but the legal vacuum that has formed until such time as they are adopted is driving us into an impasse. Basically the dilemma is this: either follow the old legal principles, or do nothing. We cannot just do nothing. But at the moment we are patently not working at full capacity. It seems that within the committee there are very few specialists who are ready for new work under the conditions of democracy and the market and capable of not only obtaining information, but also proposing active political and economic means of increasing security.

At the same time the situation is further complicated by the fact that in the absence of a Union treaty or an agreement on collective security, a concept of joint, common security for a community of sovereign states cannot be formulated. Priorities in the special services' activity cannot be clearly formulated. Without a conceptual basis, without a clear definition of joint requirements in ensuring security, we will never finish reorganizing the special services. But it is impossible to operate in conditions of permanent reform. Let us not lose patience. Let us wait and see.

But in the collectives the situation is now very difficult. People are worried about their future and their families' future. For the most part they are decent, competent specialists who have devoted themselves to this difficult service. It is impermissible to fail to fully utilize their potential in conditions where the country's security is at an extremely low level.

Once the USSR KGB has been abolished, we must not come to a standstill, thinking the job is done; we must go through several more necessary stages:

—sign temporary agreements with republic security services;
—draw up and sign an interstate agreement on the principles of collective security;
—adopt a decision on budget financing of interrepublic security structures;
—create a coordinating council consisting of the leaders of all the departments that ensure the country's security;
—draw up and adopt, at republic level, laws on the activity of the special services, operational and investigative activity, state secrets, the right to information, and so forth.

And one more thing. All the decisions, talks, treaties, and discussions, both between republics and between political parties, forces, and movements, should now, in our view, be based on the criterion of joint survival, the essence of which lies not in oppression or coercion, but in the attainment of compromise. Compromise not on the basis of ideological constructs, but on the basis of objective information about the economic and political realities, information that the security services should provide.

News Conference Reported

PM2810145791 Moscow ROSSIYSKAYA GAZETA in Russian 26 Oct 91 First Edition p 3

[TASS report: "Vadim Bakatin: 'The Next Stage, the Most Complex Stage, Now Lies Ahead in Our Country'"]

[Text] At a meeting with journalists today in his office in the Lubyanka, Vadim Bakatin, the chief of a new department—the Interrepublic Security Service [ISS]—called the reorganization of the USSR KGB "a drastic reduction in numerical strength."

As has already been reported, the USSR State Council has abolished the USSR KGB and the republics' state security organs are henceforth under the exclusive jurisdiction of the sovereign states. On the basis of the Union KGB a USSR Central Intelligence Service [CIS], a committee for the guarding of the USSR state border with joint command of the border troops, and the ISS have been created with the rights of central organs of state management of the USSR.

Only two months ago there were about 490,000 staffers of the ISS, Vadim Bakatin said. In a few days there should be 35,000-40,000 left in his new department. The "minus number" includes staffers, now embarked "on an independent path," from the Special Communications Directorate and the renowned "Ninth Department," which guarded members of the government, and also staffers of the peripheral services and Russian structures. About 240,000 have been "detached" to form the department for the guarding of state borders. Plus a substantial internal reduction. How substantial will it be? It all depends on the state of the country's budget, the ISS leader noted.

The first stage in the disintegration of the KGB, Vadim Bakatin stressed, has been basically completed. Although, he added, there still remain unclarified questions. In particular the status of military intelligence and the possibility of the separation of individual technical services remain unresolved.

Let us note in passing that the chief of the new service does not even have a precise title for his post, so young is it. Although as a symbol of the new times journalists have already been introduced to the ISS press secretary—Yelena Ozrina, a former Central Television commentator. The idea voiced by Vadim Bakatin regarding the need to organize public and parliamentary control over the ISS' activity can also be called a continuation of the examples of the new thinking in the work of the security service.

"The next stage, perhaps the most complex stage, now lies ahead in our country," the ISS chief said. "During this stage we must discuss and sign provisional agreements with the republics right up to the signing of an interstate treaty, regarding whose feasibility I remained a convinced optimist. Talks have already been held with all republics except Armenia, Azerbaijan, and Georgia. Today a provisional agreement has been signed with the Ukrainian security services."

Today ready answers to many questions simply do not exist. Nonetheless in the new department and primarily to its leader it is already clear that we simply cannot have the old approach either in the management of the republican departments from the center or in the maintenance of all activity of the new services. As Vadim Bakatin stressed, "we are not changing a sign, we are shaking up our souls, departing from the old Chekist ideology of seeing an enemy everywhere and in everyone."

How do people here see the new central organ which should unite the work of all republic or state security services and observe all the interests of the sovereignty and independence of the republics and states of what it is now customarily referred to as the former USSR?

"The center of gravity of all work is local, in the republics," V. Bakatin explained. "The ISS will merely service their work and coordinate matters," he added. Today instead of the former USSR KGB collegium a coordination council has been created which will include the leaders of the security organs of all sovereign states and also the leaders of the foreign intelligence organs and border troops. Speaking of the forms in which the center will service the republics, Vadim Bakatin stressed that as long as foreign intelligence centers exist there is a need to train intelligence and counterintelligence staffers. These training centers are still unified and it was too expensive to divide them. In addition there is a common data bank and communications center.

As for the new content, the ISS leader said that the main tasks of the ISS are to engage "not in destabilization in society but in the stabilization of the external and domestic situation." The struggle against dissidents in the country is ruled out. In addition Vadim Bakatin stressed that the struggle against real social evil—terrorism, narcotics, and corruption—could be a common denominator in interrepublic activity.

It is in this direction that he sees possible cooperation with various foreign special services, Vadim Bakatin said, answering a TASS correspondent's question. Here the forms of this cooperation in his opinion could be of a purely methodological nature, for instance in the form of aid in the elaboration of relevant legislation in the activity of the special services with a consideration for the new democratic requirements which society is making on the "competent organs."

In conclusion let us introduce the new leader of the country's security service. We shall do this with his aid, using the words given in a recent interview: "I am 54 years old, a native of the Kuzbass, I was born into a family of provincial intellectuals: My father is a mining engineer, my mother a doctor. After graduating from the institute I worked as a foreman, as a work superintendent, sector chief, and construction administration chief and at the age of 34 I became the chief engineer of a house construction combine. When I was elected second secretary of the Kemerovo CPSU Gorkom [city party committee] I switched to party work and was secretary of the Kemerovo party obkom [oblast party committee] and a CPSU Central Committee inspector. In 1985 I became first secretary of the Kirov CPSU Obkom and in 1987 first secretary of the Kemerovo CPSU Obkom and then USSR internal affairs minister. In March 1990 I became a member of the USSR Presidential Council and a year later a member of the USSR Security Council. Since August 1991 I have been chairman of the USSR KGB. I am married. I have two sons."

It is interesting that Vadim Bakatin has begun the reduction in the number of KGB staffers with his own son, who used to work in the organs, explaining the decision by the fact that he does not consider it possible to have family ties with his subordinates.

Let us add that the new ISS chairman is interested in painting—he paints in oils—and in hockey, that he collects books and loves to work on the land....

Inquiries Into Causes of State of Emergency

'Sensational Announcements' To Come

LD2810225291 Moscow Radio Rossii Network in Russian 1900 GMT 28 Oct 91

[Text] President Gorbachev has heard an unlawful state commission on the inquiry into the causes of the State Committee on the State of Emergency, although there are legislative commissions studying these same questions, an RIA correspondent was told by USSR People's Deputy Sergey Belozertsev, a member of the Supreme Soviet commission for investigating the actions and conditions of the coup of the MVD and KGB.

In his opinion, the president is acting in this way so that extra information will not be leaked and so that his own people now in power will not suffer. Sergey Belozertsev also said that the surnames of the people who gave the orders for deputies to be shadowed are known. The surnames and active officers of the KGB who are working as journalists in the mass media are also known.

According to Belozertsev's information, the commission for investigating the State Committee for the State of Emergency is to name these surnames at a news conference in a few days' time and make other sensational announcements. And if they forget or conceal anything, he warned, then our legislative commissions will add to their statements.

Investigator Appraises Coup

PM2810122591 Moscow PRAVDA in Russian 28 Oct 91 p 3

[Report by V. Andreyev: "State Committee for State of Emergency Case. Putsch Was Unprofessional"]

[Text] The announcement that the KGB's top leaders had been preparing the putsch since last December caused a sensation. That was the conclusion drawn by the special commission headed by A. Oleynikov, first deputy chairman of the former USSR KGB, that is conducting the official investigation into the actions taken by officials, state security subunits, and KGB troops ahead of and during August's anticonstitutional coup.

Evidently, one of the first points in the planned plot was the Law on the State of Emergency in the USSR. A. Oleynikov drew journalists' attention to the KGB leadership's insistence on earnestly plugging the need for this law. And so it was adopted. Many politicians warned of the budding conspiracy, although it was being prepared amid strictest secrecy by a narrow group of people who have only now become known. But people did not hear or refused to listen to these politicians. The investigation has now confirmed that only some of V. Kryuchkov's close associates knew of the detailed plans. Some of them will evidently shortly swell the ranks of the contingent behind bars. A. Oleynikov's statement indicates that material against five or six men, who naturally have not been named, has been handed over to the Russian Prosecutor's Office.

A. Oleynikov rejected all the conjecture regarding the alleged impossibility of totally cutting off the president's communications network in Foros. Here is what happened. Acting on instructions from Yu. Plekhanov, chief of the guard service, A. Glushchenko, deputy head of government communications, issued the relevant order and at 1800 hours 18 August all lines of communication were "cut." The group that had flown to the Crimea 15 August performed its task. What is more, Colonel General G. Ageyev, first deputy chairman of the KGB, who was in direct charge of the operations to isolate the USSR president, transferred to Yu. Plekhanov's jurisdiction the 79th border detachment and the fifth separate brigade of border guard patrol ships. Thus, the border guards guarding the lofty "installation" were doing so for a totally different purpose.

Many journalists had a reasonable question: Why did the putsch fail after such apparently detailed preparation? A. Oleynikov sees the reason as being that the putsch was devised by the old rules. Its organizers had lost touch with reality, expecting the people to be obedient as ever, and they miscalculated. They were also unable to envisage the consequences of a split in their own ranks. The overwhelming majority of KGB personnel who, according to A. Oleynikov, work "on the streets" knew these streets better than their own bosses, and did not follow those bosses, out of respect for the law.

But let us return to what happened then. Everyone is familiar with the lists of people who, as a number of newspapers wrote, were "liable to be interned." These lists probably included everyone who would have wanted to see himself on them, especially since this is not only safe now, but even romantic. Well, the commission has not found these lists. But there are lists of people who came under tight external surveillance. B. Yeltsin was one awarded this "honor," although remember: "He was not under surveillance, but we knew where he was..." Various plans were also devised for arresting him. "Tails" were put on certain deputies and leaders of political parties and movements. Their telephones were tapped in breach of the laws and departmental acts.

However, these are only the externals. The putsch itself was unprofessional, according to Oleynikov, giving in to journalists' insistent requests for an appraisal of the plotters' actions from the viewpoint of a member of the special services.

Entrepreneurship Council on Privatization

OW2810230491 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Entrepreneurship Council attached to the USSR president maintains that most executive and economic management bodies are deliberately putting brakes on the privatization of state and municipal property.

The council issued a statement saying that it is no secret that a process of 'creeping bureaucratic privatization' is under way, whereby property created by several generations of Soviet people is being seized, or actually stolen, by the state apparatus.

The Entrepreneurship Council believes that normal business development cannot take place as long as the real right of entrepreneurs to own means of production and dispose of them as they see fit does not go beyond the "very unstable lease right."

The council calls for selling state and municipal property to any citizen willing to buy it.

Poll on Trust in Republican Supreme Councils

OW2810120191 Moscow INTERFAX in English 0729 GMT 28 Oct 91

["Viewpoint: Are Republican Parliaments Trustworthy?" feature; transmitted via KYODO]

[Text] According to the "DATA" news agency, last September the National Public Opinion Studies Center took an opinion poll among 2,075 respondents throughout the country (1,055 in the Russian Federation, 404 in the Ukraine, 402 in Central Asia) asking them if they trust their republican supreme councils.

	trust fully	trust cautiously	do not trust	did not answer
Russia	31	35	14	20
Ukraine	15	53	22	10
Central Asia	42	27	17	14
Sampling error is 3%.				

Opinion Poll on 'Material Prosperity'

OW2910082091 Moscow INTERFAX in English 0738 GMT 29 Oct 91

["Viewpoint" item transmitted via KYODO]

[Text] The National Public Opinion Studies Center (VCIOM) conducted a poll in August 1991 in which participants were asked to agree or disagree with certain opinions regarding the problem of material prosperity.

According to the results of the poll, six out of ten participants felt that they would not risk their health or their relations to their family in order to be prosperous, but that as long as such things were not threatened, they were prepared to work towards prosperity.

15% were prepared to work as much as necessary to ensure their prosperity, regardless of any damage to oneself and one's family relations.

12% replied that they did not wish to make as much money as possible, and suggested that one could survive with a modest number of necessary items.

13% did not answer the questions.

The poll was conducted among 3,004 respondents throughout the entire Union in a representative selection, the "DATA" agency claims. Margin of error—3%.

TASS Carries Press Review for 29 Oct

LD2910084691 Moscow TASS in English 0813 GMT 29 Oct 91

["Press Review"—TASS headline]

[Text] Moscow October 29 TASS—Today's press highlights the Fifth Congress of Russia's People's Deputies, which opened in the Kremlin here on Monday [28 October], and the forthcoming Middle East peace conference in Madrid and an expected meeting between the Soviet and U.S. presidents.

Newspapers summarise in detail Russian President Boris Yeltsin's speech at the congress. Having declared the start of a radical economic reform and his readiness personally to take over the leadership of a Russian Government during the period when unpopular measures will be taken, he assumed full responsibility for their consequences.

Upon setting out a programme for economic reforms, Yeltsin promised to "stabilise the economic situation and to launch an economic recovery process within several months." The reform is pivoted on a one-off de-freeze [liberalization] of prices, on privatisation and on the establishment of a mixed economy with a powerful private sector.

"The most popular president is finally prepared for the most unpopular measures," writes NEZAVISEMAYA GAZETA (INDEPENDENT GAZETTE), describing the Russian president's speech as a "manifesto of the Russian liberal reform."

The very course of the congress work is contradictory enough, which gave ground for the newspaper to quote Oleg Rumyantsev, secretary of the Russian parliament's constitutional commission, as saying in comment on the congress refusal to discuss an item concerning a new constitution: "A quarrelsome congress takes ridiculous decisions." He believes that thereby the congress "has rejected a major state reform in Russia's history."

The president of Russia through his speech "burns bridges behind himself," KOMSOMOLSKAYA PRAVDA writes. The newspaper points out that the presidential programme "can be easily foiled at a lower level owing to the lack of law-abiding local authorities or can be torpedoed from on high through the initiation of populist expenditure programmes in parliament."

SOVETSKAYA ROSSIYA, TRUD and SELSKAYA ZHIZN (RURAL LIFE) run Yeltsin's speech in full while PRAVDA and KOMSOMOLSKAYA PRAVDA carry excerpts containing the main theses of the reform concept.

Touching upon the Madrid conference, the INDEPENDENT GAZETTE expresses an opinion that "the forthcoming Middle East peace conference has a fifty-fifty chance for success because the positions of the Israelis and the Arabs so far seem to be diametrically opposite over the main problem—territory."

PRAVDA points out that one cannot speak so far about the conflicting parties' stands drawing closer together or any mutual understanding.

Nevertheless PRAVDA refers to the conference as an outstanding event and points out the symbolic nature of the fact that it will be held precisely on Spanish soil. "Over here, on the Iberian peninsula, three great religions—Christianity, Mohammedanism and Judaism—have been peacefully coexisting and developing since olden times," PRAVDA notes.

"The conference in Madrid will proceed in a complicated way. The upcoming talks will turn out to be long and difficult," Ahmad Mahir al-Sayyid, the Egyptian ambassador in Moscow, told RABOCHAYA TRIBUNA newspaper. The ambassador's opinion is that the main role in arranging the forum has been played by the two great powers—the Soviet Union and the United States—as well as Egypt.

KRASNAYA ZVEZDA (RED STAR) believes that "the meaning of the conference is that it opens a new chapter in the history of the Middle East" and that "the Madrid forum can and must mark the beginning and serve as an impetus to the movement towards eventual peace."

TRUD writes that Madrid has become "the hub of international politics" this week. Referring to the upcoming U.S.-Soviet summit, the newspaper points out that "the new Gorbachev-Bush meeting acquires an unconventional character by virtue of circumstances in our country."

"Even massive humanitarian aid from the United States would be only a fraction of what the Americans and the West have gained on the whole as a result of the elimination of the world's division into two hostile blocs," TRUD points out.

A group of journalists visited a previously secret nuclear proving ground near Semipalatinsk, the INDEPENDENT GAZETTE reports. Describing the consequences of nuclear tests for the civilian population of nearby areas, the author of an article to this effect writes that the tests "have already claimed hundreds or maybe thousands of lives of people."

During nuclear tests in the atmosphere (until 1963), the aggregate yield of nuclear charges detonated at the Semipalatinsk test site was 2,500 times as great as the U.S. bomb dropped on Hiroshima.

KOMSOMOLSKAYA PRAVDA carries an article about the strange position of Soviet troops stationed in Tskhinvali (in South Ossetia which is part of Georgia). The command bans the troops from defending the local Ossetian population who have become in point of fact the target of genocide on the part of the new Georgian leadership. The newspaper's special correspondent who visited Tskhinvali believes that "it would be shameful if Russia leaves the assaulted people at the mercy of fate."

"One should strike the alarm in a warning against an impending danger—Acquired Immune Deficiency Syndrome (AIDS) is advancing," the chief AIDS expert at Russia's State Committee for Sanitary and Epidemiological Supervision told PRAVDA.

As of September 1, there were 502 people, including 267 children, infected with the AIDS virus. The virus has been also found in 346 foreigners. Fifty-five people fell ill, with 33 fatalities, the chief AIDS expert said.

SELSKAYA ZHIZN reports a sensational news to the effect that zeolite is a cure from radiation. Deposits of zeolite in Buryatia have long been prospected but it was only recently that its curative properties became known. This will be a miracle cure for Chernobyl victims, the newspaper believes.

In an interview with the newspaper, the chief geologist of Buryatgeologia Organisation said that new deposits of this unique mineral have been prospected at the boundary with Chita region. According to preliminary estimates, zeolite reserves at the Kholinskiy deposit alone amount to not less than 500 tonnes.

Economic

Bocharov Devises Plan To Overcome Crisis

LD2810073491 Moscow TASS in English 0727 GMT 28 Oct 91

[Text] Moscow October 28 TASS—"I have a plan to take the country out of crisis. Not everyone will like it but this plan is our only option to succeed," said Mikhail Bocharov, former chairman of Russia's Supreme Economic Council and people's deputy of the Soviet Union and the Russian Federation, told PRAVDA in an interview published today.

Such a plan, Bocharov said, should be based on an economic dictatorship, as was the case in South Korea, Singapore or, to a certain extent, Chile. This will make it possible "to render the ruble convertible in exactly two years' time and saturate the market with goods", Bocharov maintains.

The deputy sees one of the ways to attain this goal is a shrewd tackling of defence-industry conversion, as a result of which 30-35 billion dollars worth of defence sector output could be sold every year.

Such a shrewd conversion to normalise the economy would avoid any decline in people's living standards, Bocharov believes.

Entrepreneurs Form Two Moscow Associations

OW2810222091 Moscow INTERFAX in English 1950 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] Two new associations of entrepreneurs were set up in Moscow on Monday [28 October].

IF's [INTERFAX] correspondent reports that one of them, calling itself "The August 20 Club," uniting businessmen, politicians and journalists, sees it as its main task to encourage entrepreneurs and politicians to exchange information about the current trends and event in society's life. The club will organize regular meetings at which businessmen and politicians will discuss legislative initiatives and government resolutions, as well as business projects requiring political support or juridical consulting.

The other newly established association, "Business Groups for Democracy," intends to finance the efforts of lawyers and public activists to form a legal basis for lobbyism and encourage the development of professional lobbyists' organizations.

The first deputy head of the USSR Scientific-Industrial League, Aleksandr Vladislavlev, described the emergence of the two organizations as a "historical event." He told journalists on Monday [28 October] that the degree of cooperation among politicians, businessmen and media people would determine the further course of perestroyka and show ways out of the economic crisis.

Reserves Dwindle as Turnover Trade Declines

PM2810100191 Moscow PRAVDA in Russian 25 Oct 91 p 1

[Report by A. Sazhin under the rubric "In the Mirror of Statistics": "Where is the Foreign Currency Going To Come From?"]

[Text] Today you only ever hear: "Where can we get foreign currency?" It is no secret that there is less and less of it in our treasury.

Why?

Well, because foreign trade turnover is declining. Since the start of the year it has decreased by over 37 percent in the Russian Soviet Federated Socialist Republic; moreover, exports have been reduced by 25 percent and imports by 45.8 percent. As a result of the fall in the volume of exports there has been a shortfall in income of 7 billion foreign currency rubles during the period January through August.

At this point I should say that Russia basically sends raw materials, supplies, and fuel and energy resources abroad. These account for about 80 percent of the total export volume.

The targets went to pot in August as well. Pledges for delivering motor vehicles was fulfilled 25 percent, tractors 34 percent, and commercial timber 42 percent. The amount of lumber and paper pulp dispatched was half what it should have been.

The reduction in currency earnings from exports of Russian products and the increase in world prices have led to a decrease in import receipts. In January-August purchases of imported meat, poultry, butter, sunflower oil, coffee, tea, fruit, clothing, footwear, medicines, and other products almost halved.

Weekly Reveals Tax Evasion by Enterprises

LD2710190691 Moscow All-Union Radio Mayak Network in Russian 0800 GMT 27 Oct 91

[Summary] Between 40-60 billion rubles [R] remain untaxed in the USSR because enterprises and companies manage to conceal their revenues. This data was published in the MEGAPOLIS EXPRESS weekly. Last year, for example tax officers managed to find only R3.9 billion of concealed profits and 6 billion in the first six months of this year.

Gavrilov on Western Interest in Oil Fields

OW2510104591 Moscow INTERFAX in English 2046 GMT 24 Oct 91

[From the "Soviet Business Report"; transmitted via KYODO]

[Text] Speaking with IF [INTERFAX], Igo Gavrilov, a member of the Committee for the Operational Management of the National Economy (interim government), said that Western companies planning to take part in the development of oil fields on Russian territory should bear in mind that oil production is under dual authority: that of the RSFSR [Russian Soviet Federated Soviet Republic] State Geology Committee, which grants licenses for oil and gas exploration and drilling, and of local governments. Those willing to do business in Tyumen, West Siberia, and Sakhalin, the Far East, should apply to local executive committees for permission to operate.

To be established under the Economic Community Treaty, the Interrepublic Economic Committee will not take decisions on oil and gas production. All it will do in this field is issue recomendations and coordinate republican bodies, said Mr. Gavrilov.

Commenting on the tender for the right to drill oil reserves off Sakhalin, Mr. Gavrilov said that "today two or three companies are being considered, but the other companies tendering for the right offer more profitable terms to Russia."

The other day Mr. Gavrilov had met vith executives of Sodeco of Japan and Exxon of the U.S., both oil companies.

'Worsening' Situation in Oil Industry Examined

OW2610044791 Moscow INTERFAX in English 1554 GMT 25 Oct 91

[From the "Business Weekly"; transmitted via KYODO]

[Text] The worsening situation in the Soviet Union's oil industry is one of the country's most critical problems. In oil-producing regions across the country fewer new

wells are being put on stream, equipment is increasingly wearing out and becoming obsolete, and oil recovery ratios are falling.

Soviet economist Aleksandr Shevchenko examines the problems and prospects for Soviet oil production and exports.

The difficulties encountered by the petroleum industry are exacerbated by the country's macroeconomics plight, specifically by disruptions in supplies of inputs and distorted prices.

Oil production is falling. As a result, oil production has been falling perceptibly since 1989.

Oil production contracted by 0.3 percent in 1989, by 5.3 percent in 1990, and by lO percent in the first six months of this year, which leads experts to predict that total oil production will be under 508 million tons in 1991 (compared to 607 million tons in 1989).

Less oil is exported. A direct result of declining oil production is a sharp drop in oil exports.

Falling exports to East European countries has become one of the most acute problems.

Whereas in 1990 the Soviet Union's oil supplies to these countries amounted to 72 percent of the volume it had pledged to supply, the figure for the first eight months of this year is only 50 percent.

Soviet Oil Exports to Eastern Europe in the First Eight Months of 1991 (millions of tons)

	Actually Supplied	Obligations
Bulgaria	2.49	5
Hungary	1.4	2
Poland	4.9	6
Romania	0	1
Czechoslovakia	4.3	7.5
Yugoslavia	1.84	5

Regarding trade with these countries, the transition to world prices and hard currency has only aggravated problems related to oil exports.

In addition, the volume of oil exports is further curtailed by a lack of coordination among central and local authorities, which results in arbitrary reduction by the local authorities of supplies to the center under state orders.

Foreign investments are critical. Experts believe that a promising way of rehabilitating the oil industry is to attract massive foreign investment and technology transfers, provided primarily by the private sector.

Foreign firms could actively cooperate in oil exploration, production and processing, for example, through investing funds in the international consortia now being formed in the USSR, as well as by participating in auctions and tenders for the right to develop new oil fields.

Foreign investors will defray their expenses by selling some of the oil produced on the world market.

Companies from a number of countries are currently showing interest in cooperation with the USSR in the area of energy.

Mobil is engaged in preinvestment activities in joint projects with the following associations: Nizhnevartovskneftegaz (Samotlor oilfield in the Tyumen Region in eastern Siberia), Sakhalinmorneftegaz (oil fields in the Soviet Far East) and Tyumenneftegaz (Russkoye and Zapolyarnoye oil fields in northern Siberia).

Chevron corporation is planning to take part in a joint venture to develop the Tenghiz oil field in Kazakhstan.

The Canadian company Lavalin International, which has already signed $545 million worth of contracts to develop Soviet oil fields, plans to expand its operations to $1 billion.

Canadian-based Gulf Canada Resources has decided to enter in a joint venture Komiarcticoil (in the Komi Autonomous Republic in northern Russia).

Middle Eastern countries are also displaying interest in cooperating with the Soviet Union in oil production, as was evidenced in September when a delegation from Oman's Ministry of the Oil Industry toured Soviet petroliferous regions.

In addition, a number of international economic organizations are laying the foundation for investment in the Soviet Union's energy sector.

IBRD [International Bank for Reconstruction and Development] experts, for example, say they are prepared to provide recommendations for more efficient production and utilization of energy resources, and assistance in drawing up programs for attracting foreign capital to exploration and operation of oil fields and the setting up of joint ventures.

IBRD assistance is also available for tackling legal and tax problems related to foreign investment in the Soviet Union's oil- producing republics.

Furthermore, a decision to provide assistance in oil and gas production has been taken by the European Community. The EC program includes assistance in exploring ways of enhancing oil and gas recovery and in creating transportation networks.

And finally, the European Bank for Reconstruction and Development intends to encourage private investment in the oil-producing sector of the Soviet economy and plans to arrange the financing of projects in this area.

The bank will focus on those projects and programs which promise a speedy inflow of foreign exchange from exports of energy resources.

Technical assistance, as well as assistance in managing the energy system, will be provided to the USSR by the bank.

Poll Analyzes Country's Food Situation

OW2410075191 Moscow INTERFAX in English 0716 GMT 24 Oct 91

["Viewpoint" feature; transmitted via KYODO]

[Text] Every fourth resident of the USSR spends almost everything he or she earns to buy food, while 35 percent of its population spend more than half of their incomes for this purpose. This is what was found out during a poll conducted by The National Public Opinion Studies Center in August this year, DIA newsagency reports.

Some 30 percent of those polled said that half of their earnings are spent to buy food.

Every tenth respondent replied that up to one-third of the money earned goes to buy food.

Only 16 percent of people polled believe they eat well, which means their food is of good quality, varied and abundant.

Some 64 percent of respondents said they are not quite content with their food, but see it as sufficient.

About 13 percent of respondonts saw their nutrition as unsatisfactory from every point of view, while 6 percent could not give a definite answer.

The poll covered 3,004 people sampled to represent the country as a whole. Margin of error was 3 percent.

Military

Shaposhnikov Advocates Defense Union

PM2910095191 Moscow KRASNAYA ZVEZDA in Russian 29 Oct 91 First Edition p 1

[Report by TASS correspondent S. Ryabikin under the "Direct Line" rubric: "USSR Defense Minister's Position"]

[Text] Moscow—There is every reason to believe that nuclear weapons will not spread to separate republics and will remain in the hands of the center. USSR Defense Minister Yevgeniy Shaposhnikov made that statement during a conversation with your TASS correspondent. All the republics agree, he went on, that their commitments to the West and other partners must be fulfilled. This applies to both strategic and tactical weapons.

The Armed Forces in the republics, Ye. Shaposhnikov pointed out, are at present subordinate to the USSR defense minister. However, the republics of the former Union are adopting decisions contrary to the Fifth Congress of People's Deputies resolution that questions of defense, international ties, and law enforcement will be handled by the State Council and president of the USSR. In his opinion, all decisions relating to defense questions must be adopted by the republics only in coordination with the State Council.

The defense minister sees his task as ensuring that the Armed Forces are not drawn into confrontation because of the political ambitions of particular leaders. As the old Union disintegrates the military-strategic space will be preserved. The best solution, in his opinion, would be to declare a transitional period and adopt a document—a defense union of sovereign states—for that period.

In Ye. Shaposhnikov's words, the USSR Defense Ministry is now working on drawing up a statute on the status of the Armed Forces on the territory of the republics. This document, the minister believes, must contain the following provisions: The Armed Forces stationed on the territory of a republic have the task of protecting and defending the external borders of the republic and the Union as a whole; of not interfering in the internal affairs of the republic; of observing the ecological laws of the republic; and of carrying out all redeployments, movements, and maneuvers in coordination with the republics. For the transitional period the Defense Ministry and General Staff may be instructed to help those republics create their own military administration structures.

In view of the fact that many republics have been adopting decisions about having their citizens serve on their own territory, Ye. Shaposhnikov noted, it is realistic to face up to the process of the nationalization of each republic army. In this situation, the minister stressed, the Armed Forces can be saved from total disintegration only by employing a contract basis, that is, a mixed recruitment principle with a tendency toward professionalization. We have such a program, he said, and it will be submitted to the State Council in the near future.

Deputy on Problems Facing '16th Republic'

PM2510143091 Moscow KRASNAYA ZVEZDA in Russian 25 Oct 91 First Edition pp 1-2

[Interview with USSR People's Deputy Viktor Minin by Captain 2d Rank O. Odnokolenko; "USSR People's Deputy Viktor Minin: The Army's Patience Is Not Inexhaustible"; place and date not given]

[Text] The legislative commission of the USSR Supreme Soviet on the formulation of a national security system has been disbanded once before. This was done at the prompting of A. Lukyanov at a time when USSR President M. Gorbachev and USSR People's Deputy Yu. Ryzhov, head of the commission, happened to be in the United States. Since the August events the banned

legislativ e commission has been operating legally again. We offer for your attention an interview with USSR People's Deputy V. Minin, who heads one of the commission's subdivisions—the group for questions of socioeconomic support for servicemen.

[Odnokolenko] Viktor Mikhaylovich, as far as we know the USSR president has expressed his approval of the national security concept formulated by the commission. But why was your work not to the liking of former Union Supreme Soviet speaker A. Lukyanov?

[Minin] The concept formulated by our commission envisaged radical changes in the entire system of national security. It covered the economic, ecological, informational, and psychological spheres of security, and envisaged the transformation of the Armed Forces, the KGB, and the Ministry of Internal Affairs. In short, if our system were put into practice, it would meet many requirements—it would be quite flexible and effective, and as cheap as possible. Well, Lukyanov—and we now know what circles he represented—had absolutely no interest in a reform that would affect the KGB. In fact our commission was not simply disbanded, but basically crushed. Those who suffered at the time included not only Army General V. Lobov, who was working with us, but many other experts—officers and generals. I would also like to mention V. Rubanov, a staffer of the former KGB, one of the main "ideologists" of our national security system. After the breakup of the commission he was simply driven out of the service. And it was only quite recently, on V. Bakatin's initiative, that he returned to the fold.

[Odnokolenko] How is the work on the national security concept going now?

[Minin] Briefly, we are working in the same way as before the putsch. The interest in our work has not disappeared, if anything it has increased. The republics can see that we are not defending any particular department's interests, we are defending everyone's interests. Paradoxically enough, that is what is valuable. That is what gives us the advantage, for instance, over the Defense Ministry. As could be clearly seen at the first conference with republics' representatives. It must be realized that the segment of time during which it was possible to talk about reforming the USSR Armed Forces has elapsed. Now we must talk about different armed forces and a fundamentally different security system.

By the way, when we were drawing up the first version of the national security concept, before doing so we carefully analyzed all the reports of U.S. presidents on this problem in the last 10 years, and considered whether their system could be adapted to our conditions. It should be noted that it was virtually ideally suited to us, especially after the introduction of the institution of the presidency.

But now the situation is entirely different. To create a concept for a unified system of national security within the borders of the former Soviet Union—that task is completely unparalleled.

[Odnokolenko] So as of today there is no concept appropriate to the present situation?

[Minin] On the contrary. The concept appropriate to the interests of the defense of a single state has not yet been relegated to the archives. Maybe it will come in useful later—if not to us, to our children. The second concept is oriented toward the creation of a defense system for a confederation. This, in our view, is more realistic, and so we are working primarily on this. But there is also one last version—it is kept in reserve in case of the total disintegration of the Union.

Naturally, these three versions differ fundamentally, although they do have some things in common. As already noted, our choice has fallen on the second version, but it is much more difficult to work with our sovereign republics than with foreign partners—they change their minds so quickly. Perhaps the only exception is Belarus, whose leaders are guided more by common sense. They presumably realize that without efforts by everyone you cannot reform the Soviet Army, which nobody wants now and which has become a kind of "16th republic"—hungry and poorly provided for, but well armed and trained. It must also be realized that the patience of the military is not inexhaustible...

I do not believe that the republics' desire to have their own military formations is contrary to the concept or to common sense. The putsch showed that the president and government need protection. And it cannot be denied that in our country and in our situation border conflicts and internal local conflicts are a very real problem. In short, the process of forming their own armed forces is a normal phenomenon. It would be stupid to try to stop it, it should be helped along.

[Odnokolenko] You talk as if conflicts were inevitable...

[Minin] There is no point in deceiving ourselves. It is no secret that only 17 percent (or 30 percent, according to other sources) of our internal borders are historically justified, and Stalin drew the rest with a pencil to suit himself. There are already plenty of disagreements arising from this. And you can see the trend that is emerging—first and foremost the republics that are campaigning for their own armed forces are those whose borders' inviolability is, so to speak, in doubt. Ask yourself, why should peaceful Belarus need troops? The answer is obvious: There are very real border disputes with Lithuania. And with Poland too, in fact.

[Odnokolenko] True, but this problem has another facet too. The republics take different views of the concept of national security. Some are willing to have both their own units and units under joint jurisdiction. But the Ukraine, for instance, is apparently increasingly drawn to the idea of having its own army exclusively.

[Minin] Alas, political slogans are still prevailing over both common sense and economics. And in the Ukraine the election campaign is currently in full swing. So the candidates have to take account of the interests of the most active parties and currents. But I am not inclined to regard today's statements by the Ukrainian Government as final. I do not think the Ukrainians would have been so pleased if the figures showing what the Black Sea Fleet costs the treasury had been published earlier. According to incomplete data, the total appropriations for maintaining the Black Sea Fleet amount to approximately 7.5 billion rubles a year. Divide that by 52 million (the population of the Ukraine), and you get the sum that taxpayers will have to lay out every year. But if that was the only concern on the banks of the Dniepr!.. What about subsidies to miners, funds for servicemen who want to return home, funds for maintaining three military districts, and so on, and so forth.

I wish to stress once again that at the first conference of representatives of the republics everyone wanted to have only their own armed forces. The second conference showed that the trend had changed: Russia, Kazakhstan, and Belarus agreed on the formation of unified armed forces. I believe this union will be added to, when political leaders are given sufficient information on the expense of dismantling old military structures and setting up new ones.

[Odnokolenko] If you judge solely by the title of the commission, anyone who has even the remotest conception of the nature of the security problem will realize the magnitude of the task facing you. But please explain more precisely, if you can: What specific problems are you working on now?

[Minin] There are three groups working within our commission at present. The first is engaged in drafting a future treaty between sovereign republics on the creation of a comprehensive national security system. The second group is working on the problem of conversion. The third group, which is in my charge, is drawing up an interrepublic program of socioeconomic support for personnel discharged in connection with the reduction of the existing Armed Forces. At the same time it is drawing up a package of legislative documents on defense questions for the sovereign republic, and the draft on "Ecological Troops."

All these areas are equally important, and there are already some results. I suppose I can reveal one little secret today. U.S. President G. Bush's well-known recent initiatives in the disarmament sphere were, if I may say so, initiated by our commission. For about a year, through our consultants from the United States and Canada Institute, we were trying with all our might to convince the Americans that without an initiative from them, it would be impossible to make the processes related to the reform of the Armed Forces irreversible. Now we can conclude that the advice found its target. And there is doubtless no need to enlarge on how important the problem of reducing tactical nuclear arms is, and how timely the U.S. President's statement was. Take the Ukraine and Kazakhstan. Only recently they declared themselves to be nuclear-free zones, and then—silence. And it is already clear that at the present stage neither of these republics is in a hurry to renounce the nuclear weapons stationed on its territory.

[Odnokolenko] Viktor Mikhaylovich, what will happen to people, who will the coming reform affect the lives of officers, warrant officers, and petty officers?

[Minin] See for yourself how the situation is developing. Of the 500,000 servicemen discharged within the framework of the unilateral reduction of the USSR Armed Forces, 150,000 officers and warrant officers who have already been discharged have not been provided with housing or work. As a result of the ethnic conflict between Armenia and Azerbaijan, some 30,000 servicemen's families have found themselves in the position of refugees. Some 43,000 officers and warrant officers have been withdrawn from the territory of Czechoslovakia, Hungary, and Mongolia, and from Germany 100,000, and 184,200 members of servicemen's families. In these conditions the forthcoming reduction of the USSR Armed Forces by 700,000 men by the end of 1991 and the planned discharge of between 1 million and 1.5 million servicemen in 1992 in connection with the switch to new principles of manning will greatly increase political instability, aggravate society's social problems, and virtually paralyze the social services for employment (in the Russian Soviet Federated Socialist Republic alone the number of unemployed will be 12,366,000 by the end of 1991).

It is easy to promise that all those discharged from the Army will receive housing and will be provided with jobs and pensions. But tell me, please, what lies in store for USSR Defense Ministry pensioners in republics that have declared sovereignty? Most likely, yesterday's officers and warrant officers will find themselves in the position of outcasts there. And it is not hard to predict the course of subsequent events. Maybe these people, who are highly organized and profoundly politicized, will close ranks with the most reactionary structures. It cannot be ruled out that, in desperation, former combat officers will swell the ranks of gangs and forces participating in interethnic conflicts. But in any case a social explosion that could sweep away both democracy and the market is a very real possibility. The events in Yugoslavia only confirm this: Officers from various countries have taken part in that war.

[Odnokolenko] So the situation is hopeless?

[Minin] If you consider the experience of the Americans when they switched their Army over to a professional footing, there is a solution. In their case, every serviceman, at the time of discharge, received a substantial grant and the opportunity to study a socially useful profession. As a result there was an influx into the U.S.

economy—of intellect, energy, and technical resources with which the servicemen were provided at the time of discharge.

This path will, to all appearances, be appropriate for us too, if, of course, we tackle the problems on an interrepublic basis. Officers should receive a concessionary state credit on discharge. We also plan to create interrepublic centers for the retraining of former servicemen, on which we could also spend the 200 million marks which Germany is allocating for personnel of the Western group of forces. In addition we can use the material base of the units that are to be cut. Maybe it would be pointless to disband them immediately, maybe we should first use them as a basis for organizing production.

[Odnokolenko] And what does the "Ecological Troops" program consist of?

[Minin] We have not yet decided on the terminology, but we are talking about the chemical troops. They are apparently not needed now, and there is the danger that they will simply be cut. That is hardly justified, because a unique material base, experience, and cadres would disappear along with the chemical troops. It therefore makes sense to use the chemical troops to tackle a whole range of ecological problems whose resolution is simply impossible without special troop formations.

Incidentally, there is interest in our military specialists abroad. They could now be taking part in eliminating the consequences of the war in the Persian Gulf, and earning hard currency. Ecological formations could also be given a monitoring function. For instance, unmasking and preventing ecological crimes, which are a very real possibility in the context of market forces.

[Odnokolenko] And so the Armed Forces—the "16th republic," as you put it—could serve society again—this time on the basis of market relations?

[Minin] Of course, but only provided that the problems of the USSR Armed Forces are tackled at interrepublic level. Not even Russia can deal with all these problems alone.

Expert Discusses Military Law Reform

LD2710210791 Moscow All-Union Radio Mayak Network in Russian 1300 GMT 26 Oct 91

[Studio interview with military jurist Igor Mikhaylovich Vashkevich by Igor Makarov; from the "Armed Forces and Society" program—live or recorded]

[Text] [Makarov] Recently the president of the country instructed a number of ministries and departments to decide the question of expediency of further activity of military tribunals, military justice bodies and the office of military procurator within the Armed Forces of the USSR. It seems to be a mistrust of existing structures, doubt in their ability to insure in the Army and Navy conditions of true lawfulness and strict military order. We asked military jurist Igor Mikhaylovich Vashkevich to share his opinion on this subject.

[Vashkevich] Reasons for such misgivings on the part of the president are, I believe, more than obvious. The task of fundamentally reforming military legal bodies, already identified at the beginning of perestroyka, has, I must admit, been left unaccomplished. There is still a total dependence on military jurists from the command, there is still a pursuit of favorable statistics in the forces that receive these services, there is still close surveillance by the procurators of the investigators under their jurisdiction, and helplessness of the legal advisers in the face of the blatant breaches of law by their superiors.

[Makarov] Igor Mikhaylovich, maybe it really is time to put an end to a failed method of enforcing the law in the military environment, and to create something different, new, which would immediately improve the situation?

[Vashkevich] No, in fact one would like to strongly warn all the people responsible for this against hasty decisions. The point is that there exist principles for the organization of law enforcement in the Army and Navy that have evolved over centuries, and it is simply unacceptable to tamper with them and risk committing follies, so to speak.

[Makarov] Igor Mikhaylovich, what is the essence of the system of law enforcement in the Armed Forces?

[Vashkevich] First, there is the court as the supreme guarantor of fair decisions on individual matters. There are the procuracy bodies which supervise the day-to-day observance of legality. And then there is the legal advice service, the judicial service, installed in the actual administrative apparatus, which puts a stop to violations even at the stage of adoption of administrative decisons. That is the setup and, as I have said, it cannot be tampered with without the risk that irretrievable damage will be inflicted.

[Makarov] Igor Mikhaylovich, what should be done in that case to insure that the structure should operate without the very serious malfunctions which have put in doubt its very viability?

[Vashkevich] The first step has already been taken. Departyization has been carried both in all of the country's judicial bodies and the military structures. Moreover, the political bodies have been disbanded in the Army. The conditions have thus been created for military legal officials to profess just one ideology: the ideology of the law. Obviously, the military judicial bodies must be independent of military structures and the relevant military commanders.

[Makarov] How can this be achieved, Igor Mikhaylovich?

[Vashkevich] You know, we must not go around inventing the bicycle. We must simply go about implementing what has so far only been declared as intention.

In other words, the military judicial bodies—the military court and the military procuracy—simply have to be taken out of the Armed Forces. They should be special military judicial bodies, but outside the Armed Forces. And then everything will be as it should.

[Makarov] Thank you, Igor Mikhaylovich.

Navy Commander Urges Unity of Black Sea Fleet

LD2710185291 Kiev Radio Kiev International Service in Ukrainian 2000 GMT 25 Oct 91

[Text] Vice Admiral (Kasatonov), the new commander of the Black Sea Navy, noted in an interview for journalists that it would not be expedient to divide up the Black Sea Navy, which is deployed in four Union republics, including the Ukraine. It is organically rooted into the single economic system of the country, and none of the republics is able to ensure its normal functioning. The Black Sea Navy should remain part of the united strategic forces of the Union.

General Supports Civil Defense Reorganization

LD2710173391 Moscow Radio Moscow World Service in English 0900 GMT 25 Oct 91

[Text] There is now a lesser danger for the Soviet Union of a war breaking out but that does not mean civil defense is no longer needed. That has been stated by General Boris Pyankov, in charge of the service, when speaking to reporters about the reduction of the Soviet Armed Forces and the beginning of a military reform.

General Pyankov supported the idea of removing the civil defense troops from the USSR Armed Forces. He spoke out for having a civil defense system which would help eliminate the aftermath of catastrophes, earthquakes, big industrial accidents, and other disasters. This would be an alternative service.

Armed Forces, Market Relations Viewed

LD2910100391 Moscow TASS in English 0938 GMT 29 Oct 91

[By TASS correspondent Aleksandr Danilin]

[Text] Moscow October 29 TASS—"The Soviet Armed Forces are being increasingly drawn into the development of market relations in the country, including the launching of joint ventures with major foreign firms," deputy defence minister of the USSR, logistics chief General Vladimir Arkhipov told TASS.

However, Arkhipov believes that "the budget has always been and now remains the principal source for financing the Armed Forces' maintenance and development."

Nevertheless, according to Arkhipov, business activity is developing in the Army and economic management methods are being applied at defence enterprises. The general said that direct contacts were being established with civilian enterprises and commercial approaches were being used extensively.

"These principles are envisaged in the draft document, known as the concept of the Soviet Armed Forces integration into the market economy," Arkhipov noted. The end goal of the planned reforms is to form a new logistics system, adapted to the market economy and guaranteeing the country's defence capacity at the level of reasonable sufficiency.

Measures are also being taken in the Armed Forces to find additional non-budget means by selling obsolete hardware and other military property both on the domestic and foreign markets.

Last year alone the USSR Defence Ministry transferred 512 million rubles worth of property to the national economy. As many as 35 fairs and 11 auctions were held to sell various goods to the population and organisations.

Arkhipov said the Defence Ministry was planning to set up a large commercial centre, which will exercise centralised control over the transfer, sale and utilisation of all redundant property without jeopardising the Army's and Navy's combat capacity.

Baltic Affairs

States To Set Up Interparliamentary Assembly

LD2910110191 Tallinn Radio Tallinn Network in Estonian 1800 GMT 26 Oct 91

[Text] Representatives of Estonian, Latvian, and Lithuanian Supreme Councils met today in Tallinn to discuss the organization of a Baltic countries' parliamentary conference. The conference will take place 8-9 November in Tallinn. It was decided that the name of the future cooperation body will be the Baltic States' Interparliamentary Assembly. It will have a presidium of its own, a permanently working secretariat, and standing commissions.

Estonia

Ruutel: Baltic MPs Endorse Joint Parliament

OW2810175791 Moscow INTERFAX in English 1515 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The head of Estonia's parliament Arnold Ruutel has told BF that at their conference held in Tallinn on Saturday [26 October] MPs [members of parliament] from Estonia, Latvia and Lithuania endorsed an act on forming the parliamentary assembly of Baltic countries. Under the document none of the 3 states will transfer its legislative powers to the assembly. This means that the assembly will serve as a consultative and coordinating body.

"It's premature to draft a parallel beteen the assembly and the European parliament", said A. Ruutel. The assembly, he pointed out, will coordinate largely the work of the 3 parliaments, particularly in the area of law-making. "We must ensure uniformity for our legislative acts to exclude the need to remake them later in the process of unifying the Baltic countries", A. Ruutel told BF [BALTFAX].

According to the head of Estonia's parliament, the Baltic Council will not be liquidated with the establishment of the Baltic Assembly. The Council will coordinate the work of the heads of state, government and foreign ministries, while the Assembly will monitor the activity of parliaments.

Delegations of Estonian, Latvian and Lithuanian MPs will gather in Tallinn on November 7-8 to take decisions on forming the Baltic Assembly in real terms.

Owners Criticize Land Reform Law

LD2910110891

[Editorial Report] Tallinn Radio Tallinn Network in Estonian at 1800 GMT on 27 October carries a four-minute report by correspondent Tonu Sokk from a plenary session of the Estonian Forum of Lawful Landowners in Tartu. Sokk interviews Mr. Herodes, who presented a report at the meeting. In his report, Herodes had proceeded from the premise that land currently does not belong to the state, but belongs to the citizens of the Republic of Estonia, and he criticized the Supreme Council for having adopted a new land reform law which makes the previous rightful owners into claimants rather than rightful owners from the very start. In his view, the Supreme Council could have at least discussed repealing its old 1940 land laws.

Herodes says in the interview: "In 1940, the land was nationalized for the the first time, and now it has been nationalized a second time. We think that this is not the correct way to proceed and that it would be very hard to build the Republic of Estonia using tactics such as these." He adds: "But the worst thing is that the land reform law, in essence, has interrupted the process of a lawful restoration of the Republic of Estonia. In the 3 March referendum, the Estonian people expressed their firm opinion that the Republic of Estonia must be restored and that a new state must not be set up."

Herodes goes on to criticize the law for being slow to take effect and for being both time and labor intensive.

Parties Ignore Russian Democratic Movement

OW2810130091 Moscow BALTFAX in English 1200 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] Larisa Yakovleva, secretary of the organizing committee of the Russian Democratic Movement in Estonia (RDME), has told BF [BALTFAX] that the committee's invitation to join the forum was accepted only by the representatives of the Christian Democratic Union. The rest of Estonian political parties invited to the congress failed to send their spokesmen. The RDME held its founding congress in Tallinn on Saturday. According to the delegates who addressed the forum, the main task of the movement is to establish close ties between the Estonian and the Russian-speaking population.

Larisa Yakovleva categorically dismissed the charges that the RDME is the successor of the Intermovement which was known for opposing Estonia's independence. She stressed that "the representatives of the Intermovement who discredited themselves by their struggle against Estonia's independence are not allowed to join the RDME".

Economic Delegation Meets U.S. Businessmen

OW2810020691 Moscow BALTFAX in English 1800 GMT 26 Oct 91

[Transmitted via KYODO]

[Text] Mehis Pilv, a member of the Estonian delegation in the United States (led by Edgar Savisaar—"BF" [BALTFAX]) and head of the Department of External Economic Links, has informed "BALTFAX" from New York that the delegation has held talks with two American investment companies.

Negotiations were held with representatives of "Goldman & Sax" regarding investment in Estonia's infrastructure. The Estonians presented the other firm, "Baine & Weber," who work in the field of high technology, particularly bio-technology, with a number of concrete projects. Representatives of these two firms are due to arrive in Tallinn in the next few days.

According to Mr. Pilv, Estonia needs something in the region of $200-300 million of investments annually. This, he said, was a perfectly feasible possibility if Estonia creates projects for investment.

Later today (26th October), the delegation will leave for Indianapolis to carry out the main purpose of its visit—participation, along with Lithuanian and Latvian delegations led by Gediminas Vagnorius and Ivars Godmanis, in a seminar organised by the Hudson Institute on the economic development of the Baltic region.

Latvia

Officials Discuss Russian Treaty Ratification

LD2910101491 Riga Radio Riga Network in Latvian 0530 GMT 26 Oct 91

[Text] At the Supreme Council of the Republic of Latvia, parliament Chairman Anatolijs Gorbunovs has met with Aleksandr Granberg, chairman of the Committee on Interrepublic Relations of the Russian Supreme Soviet. Also taking part in the talk was Janis Dinevics, leader of the People's Front of Latvia faction. They touched on the questions relating to the preparations for the ratification of the treaty between Russia and the Baltic states, concluded in January at the scheduled session of the Russian Supreme Soviet. Mr. Granberg also met with Ilmars Bisers, first deputy chairman of the Council of Ministers, and with representatives of the Ministries of Economics and Foreign Affairs.

Russian Deputies Ask To End Economic Agreement

OW2810230791 Moscow BALTFAX in English 1645 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The "Russia" deputies' group has issued an appeal to Boris Yeltsin and the Congress of the Russian People's Deputies demanding "the immediate cancellation of an intergovernmental economic agreement between Russia and Latvia in connection with violation of human rights by Latvia while establishing the republican citizenship". The appeal was signed by the group's coordinators S. Baburin, N. Pavlov and V. Serdyukov.

In the opinion of the deputies, Parfenov, deputy chief of the former Riga OMON [Special Purpose Militia Detachment] special unit, was illegally arrested in the city of Surgut (the Tyumen region) by the Latvian criminal police and deported to Latvia.

The group expresses a strong protest with the Prosecutor's Office and the Interior Ministry of the Russian Federation which continue to abide by an agreement with the Latvian law enforcement bodies signed on May 22nd, 1991, about mutual extradition of wanted criminals. The "Russia" group believes that after Latvia declared its independence and established diplomatic relations with the Russian Federation and the USSR, such forms of cooperation between the Russian and the Latvian law enforcement bodies are unjustified.

The group describes Parfenov's arrest as "an action striking a blow against Russia' sovereignty and honor". The deputies demand that Parfenov be immediately returned to Russia and all officials in the Russian Federation and the USSR involved in that unlawful action be held responsible.

Economic Confrontation With Russia Seen

LD2910085891 Moscow TASS in English 2011 GMT 28 Oct 91

[By TASS correspondent Valeriy Zaytsev]

[Text] Riga October 28 TASS—Today's declaration of Russian President Boris Yeltsin on the transition to world prices in payments with independent states will provoke an adequate reaction in Latvia, said Janis Dinevic, head of the Latvian delegation to the negotiations with the USSR.

"We have agreements on deliveries in 1991, and this year has not come to an end," said Dinevic. "Latvia is fulfilling its obligations on 80 per cent, meanwhile the Union (including Russia) fulfills its commitments only on 30 per cent."

It is quite possible that payments for land, on which formations of the Soviet Armed Forces are stationed on Latvian territory, and for the use of seaports, through which the Union conducts its export-import transportation operations, will soon have to be done in hard currency.

In this connection, the accelerated introduction of proper currency unit in Latvia is quite possible.

"We have certain opportunities to influence Russia, but both sides will suffer losses in this economic war," Dinevic stressed.

Arms Purchases in USSR Negotiated

OW2810171691 Moscow INTERFAX in English 1515 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Latvian newspaper "DIENA" reports that the leader of the interrepublican security service Vadim Bakatin has supported the idea of selling Soviet-made arms to Latvia "for considerations of its own security". According to the paper, last week Latvia's Prime Minister Ivars Godmanis sent to Bakatin's deputy Fyodor Myasnikov, a member of the Soviet delegation for talks with Latvia, a message expressing Latvia's desire to buy from the USSR weapons for the needs of its frontier guards.

During their talks with Fyodor Hyasnikov Latvia's envoy in Moscow Janis Peters and the deputy director of Latvia's public security department Auseklis Plavins agreed that the issue of possible arms purchases should be resolved along with the question of ceasing the activity of Soviet border protection troops and local KGB on Latvian soil.

Accord To Be Signed With Union Ministries

OW2810202691 Moscow INTERFAX in English 1930 GMT 29 Oct 91

[Transmitted via KYODO]

[Text] Latvian Interior Minister Aloizs Vaznis has informed reporters about the outcome of his October 23-24 visit to Moscow where he took part in a meeting of the Union republics' interior ministers as a guest.

Mr. Vaznis stated that the Interior Ministries of Latvia, USSR and Russia have agreed to sign a cooperation accord in mid-November. Also, talks will continue on the withdrawal of the USSR Interior Ministry troops from Latvia and shipments of arms to Latvia. Mr. Vaznis said that the withdrawal has already started: one militia regiment has been pulled out and one escort prison-guarding regiment is now leaving Latvia.

The minister pointed out that the Latvian Interior Ministry had offered servicemen of the escort regiment to stay in Latvia if they so wish and have a permanent residence in the republic.

Forthcoming Foreign Activities Announced

LD2910101991 Riga Radio Riga Network in Latvian 0530 GMT 26 Oct 91

[Text] The Presidium of the Supreme Council has announced which deputies will be undertaking missions in the immediate and long-term future and what they will be. For example, Anatolijs Gorbunovs will be leaving in February for the sitting of the parliamentary assembly of the Council of Europe, at the invitation of Mr. Bjoerck, president of that organization. Andrejs Pantelejevs, Chairman of the Committee on Human Rights and Nationality Questions, will be on a mission to the coordinating session in Strasbourg from 3 November. Deputy Rolands Rikards will attemd a conference in Stockholm. Going to the Nordic Council session in the Aaland Islands on 30 November will be Deputy Maris Budovskis. Latvia will be represented at the transport conference of the European Council by Ojars Blumbergs, and that will take place in Prague next week.

Lithuania

Defense Minister on Integration With Europe

OW2810175291 Moscow BALTFAX in English 1645 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] In an interview with the Lithuanian TV upon his return from Madrid and Brussels, Lithuanian Home Defense Minister Audrius Butkevicius said: "Lithuania's security can be guaranteed by its integration into the European security systems".

In his view, the North-Atlantic Assembly is one of such systems. He believes the status of an associate member of this organization will permit Lithuania to take part in common programs and "help resolve conflicts".

Asked about the details of a Brussels meeting with NATO General Secretary Manfred Woerner, Mr. Butkevicius only said that "it was extremely fruitful".

Local KGB Activity Detailed

OW2810173091 Moscow INTERFAX in English 1515 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] Lithuanian MP [member of parliament] Algirdas Endriukaitis, a member of the Commission for Investigating the KGB's Activity in Lithuania, has invited local KGB agents to come to his commission to give evidence. Speaking on local radio on Monday [28 October], A. Endriukaitis also released some data concerning KGB agents on the basis of the 1988 report by the Lithuanian KGB, and read several letters to the KG8 from its informers by way of example.

In July of 1988 the KGB had 33 to 60 agents in each of Lithuania's 44 administrative regions.

78% of the agents were people under 50. 54 of these were aged between 30 and 50 and 24% under 30. 1.2% of these were people under 20. 4% of the agents were retirees.

In 1988 82% of the agents had worked for the KGB for over 3 years, and 18% for only 3 years. According to the report, 76% of the agents were thoroughly reliable; 19% required verification, while 5% shirked interviews and the passing of information.

77% of the KGB agents in Lithuania were Lithuanians, 10.8% ethnic Russians, 3.6% ethnic Poles and 1.2% ethnic Jews.

21 of the agents were factory workers, 13% technicians, 7% office workers, 6% farmers, 4% artists, 3.6% scientists, 4.7% school and college students.

Clergymen were recruited as KGB agents in Kaunas, Panevezys and Tialsiai.

At a briefing held in Lithuania's parliament on Monday A. Endriukaitis said that now the commission for investigating the KGB's activity in Lithuania is devising forms to be filled first by the MPs and later by all the government employees with questions concerning ties with the KGB. Subsequently the forms will have to be filled by the deputies of all levels and then by all residents of Lithuania.

Independence Party Congress Opens

LD2710234291 Vilnius Radio Vilnius International Service in Lithuanian 2200 GMT 26 Oct 91

[Text] The second Lithuanian Independence Party congress opened in Vilnius today. Nearly 200 delegates from all over Lithuania were in attendance.

Following the singing of the national anthem, the delegates observed a minute of silence to honor the memory of those fighters who perished for Lithuania's freedom and independence.

Vytautas Landsbergis, chairman of the parliament of Lithuania, who participated as a guest, addressed the conference. He said: We worked for independence not by means of armed insurrection or underground struggle, but through a path of democratic manifestation of universal will.

According to Vytautas Landsbergis, independence was the way and also the means for Lithuania in bringing to fruition the idea of the restoration of a state—a state that must not be a part of any other state, even a so-called (?partial) member of the Soviet Union.

The chairman of the parliament of Lithuania expressed the hope that the Lithuanian Independence Party would discuss without constraint the topics of homeland, religion, wellbeing, and truth, and become strong in Lithuania.

Virgilijus Cepaitis, leader of the Independence Party and chairman of the parliamentary Citizens' Rights Commission, gave a detailed review of the party's activity in his speech.

Reports by party Presidium members were heard and the party's program and statutes were discussed, at the congress, which will continue its work tomorrow.

Fifth Congress of People's Deputies

Russian TV Relays Session Proceedings

LD2810081391

[Editorial Report] Moscow Russian Television Network in Russian at 0803 GMT on 28 October begins a relay of the Fifth Congress of Russian Soviet Federated Socialist Republics, RSFSR, People's Deputies in Moscow.

Parliamentary acting Chairman Khasbulatov is chairing the meeting. As a count of deputies is taken, Yeltsin is seen among those on the platform.

Khasbulatov announces that 955 deputies are present, 112 are absent.

Yeltsin begins speaking at 0816 GMT.

At 0912 GMT after Yeltsin's speech, Khasbulatov invites deputies to ask questions.

Muravevskiy asks a question from the floor regarding the agenda: I propose that the question of socioeconomic and political situation in Russia be included in the agenda and that decisions be taken tomorrow.

Khasbulatov says that an agrarian bloc of deputies also insists that this question be included in the agenda. Khasbulatov then makes a short anouncement ragarding the Credentials Commission and gives the floor to the chairman of the commission.

The commissions chairman delivers the results of elections in the Adegeyev Autonomous Soviet Socialist Republic [ASSR]. The commission examined the documentation and has decided that the elections took place correctly and he proposes that the congress approve the powers of the deputy elected to that republic.

Khasbulatov invites deputies to vote on whether they agree with the Adegeyv ASSR deputy's election. The motion is adopted. Khasbulatov congratulates the deputy.

Chairman of the credentials commission says that this morning the commission verified results of elections in the city of Astrakhan where an investigation was carried out into the falsification of election results. Details of the falsification and punishment meted out to the perpetrators are given. The commission chairman says there is a tie in the elections according to the check carried out by his commission and he asks the deputies to vote for the annulment of the original result. The deputies adopt the proposal to annul the original voting result.

Next, Khasbulatov says today is the 45th birthday of a Smolensk people's deputy and asks deputies to congratulate him.

At Khasbulatov invites deputies to go over to discussion of agenda. There are proposals to discuss the situation in South Ossetia and he asks deputies how they would like to speak on the matter—by blocs, factions or individually.

Deputy Bratishev calls for the chairman of the RSFSR Supreme Soviet and the Constitutional Court to be elected. Another deputy proposes that after the president's speech we should give time to asking questions on it. Elections should be held in the first days on the congress. A deputy supports Deputy Bratishev regarding Yeltsin's decree suspending the CPSU on RSFSR territory. There must be an end to the arbitrariness. Deputy Morozov opposes including the question of the socioeconomic question in the agenda, we should do what the Supreme Soviet suggested. Deputy Mikhay supports the agenda put forward by the Supreme Soviet, and asks all deputies to support him in putting the election of the chairman of the Supreme Soviet first and then the election of the Constitutional Court. Deputy Golovin proposes that the question of the socioeconomic situation be discussed, among other things. The draft of the new constitution should not be examined at the congress, for that will only lead to extra confrontations.

Next, Deputy Ryumin from Ryazan says we should react to the president's report but we do not have the text of it available. We should discuss it on the 30th, but today we must conclude the agenda—in the first place—elect the chairman of the Supreme Soviet and the Constitutional Court. The question of local executive power must be discussed.

At 0938 GMT a deputy proposes to go over immediately to electing the chairman of the Supreme Soviet and then to the discussion of the congress agenda, he states.

Next, Deputy Zadonskiy supports Deputy Ryumin's proposal regarding discussion of Yeltsin's report. Zadonskiy proposes the question of discussing the president's report on 30th be included in the agenda.

A deputy says from the floor we must conclude unfinished business first. But first carry out the elections of the president and the Constitutional Court. We must have the president's address in written form. I propose we elect the chairman of the Supreme Soviet first and then discuss the agenda.

Another deputy from Moscow Oblast calls for speedy election of chairman and for minor amendments in the constitution to be made first.

Deputy Astakhov from Moscow proposes that the name of the RSFSR be changed to the Russian Federation.

Deputy Volkov from Murmansk proposes that the election of the Supreme Soviet chairman should be carried out as soon as possible.

Another deputy raises the question of "what is lying in the Mausoleum now." He says we must discuss the question of ending the financing of organizations which have provided an easy life for themselves.

Khasbulatov then asks deputies if enough proposals have been heard already and asks which of the two questions are of most concern to the deputies—the socioeconomic situation and measures for a solution to the crisis in the Russian economy or the election of the chairman? Which should be first? Khasbulatov invites deputies to vote on whether the question of the election of the chairman of the Supreme Soviet should be discussed first. Deputies adopt the proposal by 746 votes in favor. The next question is on the socioeconomic situation in Russia—deputies do not adopt the proposal. Khasbulatov explains what he means. He invites deputies to vote on the question of Constitutional Court judges. The decision is adopted.

Next, Khasbulatov asks deputies which question should be next—changes and amendments in the constitution. A deputy says this should be the third question and Khasbulatov puts this to the vote. The decision is adopted.

Khasbulatov puts the question as to whether the issue of the renewal of the composition of the Soviet of the Union and the Soviet of nationalities should be the fourth question to the vote. It is adopted.

The socioeconomic question is the next to be voted on—it is adopted. Khasbulatov tells deputies of the reasons for the decisions of the constitutional constitution. A deputy from the floor says if we discuss the constitution here this will lead to destabilization in a number of regions. We should not include discussion of a new constitution in the agenda.

A Leningrad deputy disagrees and says that, on the contrary, discussion of a new constitution could become a unifying factor. The congress should adopt an appeal to the people of the Ukraine to participate in an economic treaty.

Khasbulatov puts both of these points of view to the vote—first of all who is in favor of including discussion of the new constitution in the agenda. Deputies reject the decision.

Khasbulatov then moves on to the standing orders and invites deputies to speak on it. A deputy says measures for a way out of the crisis should be examined on the morning of the 30th. Khasbulatov asks deputies if they agree and there is general consensus from them.

Khasbulatov then puts the question of the standing orders to the vote. The deputies reject the proposal.

Khasbuatov puts the question of discussion of the South Ossetia issue to the vote. It is rejected. Khasbulatov says we have a large group of deputies who have proposed individual questions.

At 1008 GMT Khasbulatov then announces a break in the proceedings.

Yeltsin Delivers Address on Russia's Future

LD2810122691 Moscow Russian Television Network in Russian 0800 GMT 28 Oct 91

[Address by Boris Nikolayevich Yeltsin, president of the Russian Soviet Federated Socialist Republic, at the Fifth Congress of RSFSR People's Deputies in Moscow on 28 October, chaired by acting Chairman Ruslan Khasbulatov—live]

[Text] Esteemed people's deputies, citizens of the Russian Federation! I am speaking to you at one of the most critical moments of Russia's history: The moment when it is being decided what Russia and indeed, the country as a whole, will be like in the coming years and decades and how the present and future generations of Russia's people will live. I resolutely call on you to embark unconditionally upon the path of deep reforms, and I ask all sections of the population for support in that determination.

Now is the time to make the principal decisions and begin to act. For two months we have been living in what is practically a new country. The collapse of the antistate coup turned out to be the collapse of the entire totalitarian system founded on the diktat of the CPSU and the dominion of the conservative center. This repressive system of government ravaged the Soviet Union and devastated its economy, and has crumbled of its own accord. The time has come for resolute, tough, and unwavering action. The starting point is known to all.

The situation is tense. There are problems with food and essential goods. The financial system is on the verge of collapse. Inflation has reached a critical point. Of all families, 55 percent live below the poverty threshold. The situation is not improving. The victory of democracy and liberty has not put an end to the economic crisis nor reconciled peoples. Life in the country today, given the paralysis of power, has become more disorganized. New relations among the sovereign republics are being forged with extreme difficulty.

Even matters that seemed simple are proving slow and painful to deal with. Sharply increased centrifugal tendencies have exacerbated the already difficult position of the national economy and intensified the production decline. The weakness of Russian statehood and forced errors of tactics have made themselves felt particularly vividly in the new situation.

The guidelines and goals were picked correctly. A lot has been done to create a legislative basis for the new Russia, but it has to be said frankly that we proceeded on the assumption that in pushing reform we would face a lengthy confrontation with a strong center. That is what we based our policies on. For a whole year, each small step, even an attempted step, had to be fought for. After the defeat of the putsch, this sort of policy became obsolete. In this situation there was a great temptation to start economic, financial, and other reforms on a broad front immediately and on the spur of the moment.

Let me state frankly that there was pressure on us both from democratic forces and from deputies, as well as the media, but to begin very serious reforms in a completely new situation without preparing for them would be the height of irresponsibility. To avoid turning reforms into adventurism and wrecking them, a certain breathing space had to be allowed and substantial adjustments made to our tactics, the nature of our actions, and the sequence in which they are carried out. There have been many meetings with experts, heated arguments, and deep reflections and doubts.

Now all that is behind us. I declare as president of the Russian Federation that specific measures have now been drawn up to implement a package of reforms. The situation in Russia is difficult, but not hopeless. There is no cause for panic. The whole experience of world civilizations shows that economic diseases are curable. The only things needed are an accurate diagnosis, strict rules of behavior, and coordinated, competent actions. Russia has on more than one occasion in her rich history demonstrated that at periods of harsh trials she is capable of mobilizing her will, her vast energies, talents, and resources, and picking herself up and regaining her strength.

The period of progress by small steps is over. The minefield hampering reforms has been cleared. A large-scale reformist breakthrough is needed.

We have a unique opportunity over the next few months to stabilize the economic situation and begin the process of restoring it to health. We have won political freedom. Now we have to get back our economic freedom. We must remove all obstacles to freedom for enterprises and entrepreneurship, and give people the opportunity to work and enjoy everything they have earned, freeing them from the bureaucratic straightjacket.

I must say frankly that in today's very acute crisis, we shall not be able to carry out reforms painlessly. The first step will be the most difficult. There will be some decline in living standards, but uncertainty will disappear at last and a clear prospect will emerge. The main thing is that in reality and not just in words, we will finally begin to haul ourselves out of the quagmire sucking us in deeper and deeper. If we embark today on this path, then we will see real results by the autumn of 1992. If we do not take advantage of this real opportunity to break the unfavorable progress of events, we will doom ourselves to poverty and this centuries-old state to collapse.

I am banking on the trust and understanding of the citizens of Russia. At the most critical moments over the past year I have appealed to the people of Russia for support. Each time I have received it. It was thanks to this support that we were able to thwart the spring onslaught by the reactionaries and put down the anti-people putsch in August. We will succeed now, provided there is mutual understanding among deputies, parties, groupings and movements, and trade unions. We will succeed if all of us—the people and the president—are together. I am convinced that the Russian Federation in particular is set to play a decisive role in pulling the country out of its deep crisis and restoring stability and calm to people's lives.

It is not Russia's aim to raise itself in the course of the reforms above its neighbors or to carry them out at the expense of any of the republics. We are willing to cooperate closely in the cause of transformation with friendly sovereign states. Reforms in Russia are the path of democracy and not of empire. Russia will not permit the restoration of another command center standing above it and above the other sovereign states. It will be a guarantor that there will be no more diktat from above. The interrepublican bodies are to play only a consultative and cocordinating role. Real authority now is exercised by the republics. Therefore, the Russian Federation will have to pursue an independent policy and act, proceding from its national-state interests and not according to a pattern which was forced upon it.

In the relations with the former members of the Union that are pursuing a course toward an artificial separation from the economic and political community, Russia will proceed from the norms of international law. The economic links with such states will be based on world prices. This is, first of all, a sign of actual recognition of the independent status of any state. At the same time, I believe that the Ukraine and other republics will join the treaty on the economic community. I am not giving up the hope of concluding a political treaty. If this process fails for whatever reason, Russia will be able to take upon itself the responsibility for becoming the legal successor of the Union; however, we will not force this process. Our position, as far as the Union is concerned, remains the same.

Esteemed people's deputies, fellow citizens: The most significant and decisive actions that lie ahead are those in the sphere of the economy. We are not mesmerized by the news that production in the republic over the first nine months of the year has been falling at just half the speed at which this has been happening in the country as a whole. The Russian economy is in serious disarray. It cannot be led out of the crisis by means of commands, state orders, or timid half measures. We are at last switching over to a new economic course. The reform will proceed in a number of directions simultaneously, dynamically, and as a complex.

The first area is economic stabilization. Its foundation is a tough monetary and financial credit policy, tax reform, and strengthening the ruble. But the most painful measure is the unfreezing of prices in the current year. Without it talk of of the market is idle chatter. In recent years everyone has understood this, but no one has had the courage to take this severe step. Hence the endless compromises which have prepared the way for economic chaos. The second is privatization: the creation of a healthy mixed economy with a strong private sector. It is especially important for Russia that greater dynamism be imparted to land reform and that a fundamentally

new situation be created in the agrarian sector by the spring of 1992. Specific measures have been prepared, the implementation of which will begin in the very near future. Among them, the hardest, as I have said, is liberalization of prices. No official can think up fair prices that will be a real measure of labor. The experience of world civilization shows that only the market can solve this problem. Liberalization of prices is under way in our country, but haphazardly. This gives rise to many contradictions, incongruities, and loopholes for bribery and corruption.

It is becoming increasingly difficult to buy goods for which strict prices have been set. Neither quotas, coupons, nor identification cards are of any help. The selfsame goods, when they reach the black market, cost more and more. A way out of this confrontation was found in the so-called agreed, cooperative, and other prices, but this once again engendered a mass of abuses and crimes, from which every citizen of Russia is suffering today. This sort of approach disorganizes production and stimulates huge losses of important consumer goods. Free prices should be the instrument of an increase in production, which will place a limit on price rises in the future. Furthermore, Russia is a traditional supplier of raw material resources to other republics. Given such confusion over prices, we are in an extremely disadvantageous situation and are losing 33 billion rubles a year. Prices for raw materials are still fixed, but the output manufactured from our raw materials is increasingly frequently coming back to us at different prices. We are building in a loss for ourselves and can no longer accept this situation.

A number of sovereign states of the former Union have already advanced toward the liberalization of their prices. They find Russian fixed prices more than attractive. These circumstances are forcing us to adopt a special decision on setting up Russian customs. At present Russian customs are being formed on the basis of Union customs. As a matter of fact, ruble intervention has recently gotten under way in Russia. Goods are being bought for valueless, devalued, and nonconvertible rubles, thereby increasing the already existing enormous rift between the amount of money and the amount of goods. I call upon all citizens of Russia to understand this: To make a switch to market prices in one motion is a severe, forced, but necessary measure. Many states have had to go through this. Everyone will find life harder for approximately six months. Then, prices will fall and goods will begin to fill the market. By the autumn of 1992, as I promised before the elections, the economy will have stabilized and people's lives will gradually get better. If we fail to liberalize prices in an organized way and under strict control, they will rocket spontaneously and chaotically, and losses will be immeasurably higher. To carry out this complex measure effectively, we intend to implement in the very near future a number of practical actions to strengthen the ruble and to regulate the financial system.

First, we have begun a serious review of Russia's expenditure for state needs. The budget for next year provides for a substantial reduction in appropriations for the support of inefficient plants, for defense, and for the administrative apparatus. From 1 November Russia will cease to finance Union ministries and other central institutions, numbering approximately 70, whose existence has not been agreed under the economic community treaty. We are ceasing the transfer of money to the Union stabilization fund. It has not justified itself because by no means all the republics fulfilled their obligations regarding its formation. These means will be used to stabilize the Russian economy. We are no longer providing help and giving credits to all countries. In our new budget we will have to redistribute essentially our social needs expenses. We will prepare a list of the most urgent social programs which will start to be financed.

The deficit of the budget for 1992 must be virtually nil or minimum. Russia's leadership will steadfastly follow the line of transferring a strictly limited fixed sum of money to the Union budget for general programs. I think that members of the Supreme Soviet who will have to confirm the budget realize that expenses which are not backed up by real financing sources will exacerbate Russia's predicament without solving any problems. The principle of very strict economization while forming the budget, on the contrary, can slow down inflation and the devaluation of money. This will utimately become one of the factors of price stabilization.

In the very near future we intend to strengthen Russia's tax system. Today it is distorted and poorly adapted to market conditions. There is huge confusion in taxes, which produces mass violations of tax discipline. For some, the tax burden is too heavy, while others have substantial unjustified privileges. The reorganization of the taxation system is not aimed at increasing the taxes paid by citizens. It is above all a question of putting this sphere in order. Taxes will not strangle but will stimulate the industrialists, entrepreneurs, and especially those who are producing consumer goods. At the same time, taxes will be an obstacle to economic operations that are not in society's interests.

In the very near future I intend to ask the Supreme Soviet to form a legislative initiative on tax legislation. The reorganization of the tax system must be carried out in an organized manner and quickly, so that by the end of next year we can have an effective and stable mechanism for obtaining income for the state budget.

Work is also being completed on the preparation of a package of measures to reform the banking system. A key area here is the introduction of tough mechanisms on uncontrolled issuance of money and credits. If we continue dragging our feet on this, hyperinflation and the collapse of the entire monetary system are inevitable. We intend to make a start very soon on setting up a real reserve banking system with hard currency. Two options are possible. The first is to create a unified interstate bank for the whole ruble zone. We are willing to take this

step, provided that the following conditions are met: There must be firm and unambiguous renunciation by all the republics of attempts to introduce their own currency in the immediate future. The republics should have equality in supervising observance of the bank's charter. The number of votes each republic has in the banking union and on the bank's board is to correspond to its share of capital. If no accord on these conditions is reached in the near future, we will observe the second option: The Russian State Bank will assume the function of issuing money. If such a necessity arises, Russia will find itself able to establish its own control over the issue of rubles both in cash and credit. We will be prepared under those circumstances to bring in a new Russian currency. The republics will be acquainted beforehand with our plan of action and be invited to set up up a common circulation zone for a single hard currency. We need to provide the Russian bank with extra staff. Finally, the liberalization of prices will be accompanied by measures to provide social protection for the population. Decrees are now being prepared to reform the private social insurance pensions system. Our possibilities are such that we will primarily be helping the most needy social groups. To this end, a minimum living standard is now being calculated based on the real rate of inflation and with adjustments taking into account regional conditions. Mechanisms to allow direct access to the consumer market for socially unprotected groups of the population are to be brought into operation. I have in mind the transition from monetary benefits to aid in kind: free meals, food coupons, and access to cheap goods for the weak and poor.

The new task of our social policy is to create a targeted system of social benefits for the most vulnerable sections of the population and children. Much needs to be done here. We need to set up a network of charity canteens, night hostels, and special shops, a mechanism for the purchase of essential goods, and a reliable system of delivering them to specific individuals. The Ministry for the Social Protection of the Population will deal with this. In order to be able to react flexibly and rapidly to the needs and problems of our citizens, it is necessary to set up a republican fund for the social maintenance of the population.

Depending on the situation, resources from this fund could be channelled into both a direct increase in the income of the population and state purchases of food and other goods for needy groups, as well as indexation and supporting for the social services sector. However, we will not be able to protect everyone's standard of living in the first stage of reforms.

We will encourage the development of entrepreneurship, which creates new jobs and fairly high wages. It is in this sector that mechanisms of social partnership will be formed. Wage reform is planned before the end of this year. All restrictions on growth in personal wages and opportunities to earn honest money will be repealed. The principal aim here is to make it possible for working people to compensate themselves for rising prices and to promote personal initiative. I regard the trade unions' demand for free market wages for free market prices to be just, with an addition: There should be free market wages for free market productivity. Our strategic goal is to gradually bring the fixed income of workers in state-financed [budzhetnyy] sectors up to the standard of those of workers in the free market sector of the economy. This includes doctors, teachers, and others. One month prior to price liberalization, the intention is to increase the wages of teachers and doctors, and increase pensions and student grants to the level of the minimum wage. The prime factor in social protection for the public during the reforms will be accelerated revival of economic activity, especially in production, rather than redistribution of what we already have. This is where salvation of Russia's economy lies today, and thus the main conditions for its rebirth.

This is why, alongside measures for macroeconomic stabilization, in the very near future accelerated development of the Russian economy's powerful private sector will commence. For an unforgivable length of time, we debated whether we need private ownership. The party and state elite were actively engaged in their own type of privatization. The extent of this, the state of the enterprise, and the hypocrisy, are simply amazing. Privatization in Russia has long been under way, but wildly, spontaneously, and not infrequently on a criminal basis. Today we need to seize the initiative. This is what we intend to do. Priority attention will be given to what is called small-scale privatization, of small and medium enterprises in the service sector, trade, industry, and transport.

It has to be admitted that the relevant law adopted by the Supreme Soviet proposes a convoluted procedure for privatization. This law needs to be made simpler and more specific. It should take no longer than five days to decide on privatization of a specific installation. Any longer and you hit them in the pocket. We have a realistic chance to privatize within three months up to 50 percent of small and medium enterprises in Russia—that is, about 10,000 enterprises—and also incomplete construction works, which should raise about 100 billion rubles in revenue.

In addition, a special presidential decree will be issued in which, among other things, strict responsibility of officials for red tape and abuse of power will be defined. In November, the work of dividing state property into several levels—that of the Russian Federation, republics, oblasts, krays, and so on—will be completed. This will bring needed clarity into the privatization of state property.

Privatization of housing has already started in Russia. A considerable number of citizens have met difficulties and bureaucratic obstacles. Bribery is flourishing. We intend to put a firm end to this. Within two to three weeks' time, the main principles for the privatization of housing in Russia will be published. We will demand

rigorous observance of these regulations from local authorities, as well as protection of the legal interests of citizens.

The situation regarding privatization of the giants of industry is much more complicated. A considerable part will have to remain state property. However, their work will change significantly. At the moment, work is in progress on a package of resolutions for commercialization of their work. This means minimum budget allocations and an orientation toward maximum profits with the prices freely established. Taxes on their own investments will be lifted.

In the next few months a speedy process of issuing shares for state enterprises will have to start on a mass scale. The shares will be divided between the state and the labor collectives. The second step is selling at market prices to all who want them the part of shares belonging to the state. The main thing is to quickly separate the enterprises from the state, to change the system of management, and to create incentives for raising efficiency. People with initiative must be appointed at all levels for the implementation of the program.

The republic's agriculture and its farmers are a special issue for us. The situation in this branch of the economy is critical today. Food production is falling. If the present trends continue next year, we will have to increase expenditure for the import of food products. Such volumes will be beyond the power of our economy. Agricultural reform started after the Second Congress of People's Deputies failed to noticeably improve the situation. The 30,000 private farms which have been created since are only a drop in the bucket. The majority are treated like poor relations and are subject to open discrimination. They suffer from an extreme shortage of equipment, building materials, and necessary goods. The budget for 1992 allocates 6.5 billion rubles in financial aid for the farmers, as well as allocations for 24,000 tractors, 22,000 trucks, and a large amount of other equipment from the existing funds.

The government has devised a special program to organize the manufacture of machinery and equipment for peasant farms, with the intention that foreign firms become widely involved. We will do all of this rapidly. We will buy $100 million worth of farm machinery and transport vehicles abroad. In the near future a network of enterprises will be set up on a cooperative, commercial, and state basis to provide services for farmers in the processing, storage, and marketing of farm produce. The chief task for the coming winter is to privatize the environment servicing the peasants, especially the retail and supply networks; otherwise it will be impossible to achieve real regeneration of the Russian peasantry.

It is intended to start privatizing the property of collective and state farms, which have for so long been operating at a loss and chronically failing to meet their obligations to the state. Following an examination of each case, these enterprises' land will be handed over to the peasants and those wishing to take it on to set up medium- and small-scale peasant trade enterprises. In making these transformations we should not forget the veterans of the countryside. There is a special need at the local level to devise measures for their protection and welfare. This is one of the most important spheres of activity for the rural soviets. Those collective and state farms that are functioning well will be maintained.

Our Western partners are ready to sell considerable surpluses of their food produce and to invest this cash in agrarian reform. We have begun concrete negotiations on this. The president will submit to the Supreme Soviet a package of amendments to the law on land reform, with a view to strengthening the legislative base for transformations in this sphere and permitting the purchase and sale of land. A state committee is to be set up to organize agrarian reform work, with appropriate structures at the kray, oblast, and rayon levels.

The measures in agriculture to be taken this winter will lay the foundation for the start of a breakthrough in Russia's food situation. Experience in various countries confirms that the development of market relations in the countryside will produce fairly rapid returns, saturate the market with food, and stabilize prices.

A special feature of Russia's economy is the high degree to which it is dominated by monopolies. A considerable part of its output comes from gigantic enterprises and concerns that have no competition. This allows them to not concern themselves with quality and, following the disappearance of the plan, even to disregard their output. By fair means or foul, prices are increased and the consumer is forced to pay through the nose.

At the same time, there is a considerable number of nonvoluntary monopolists. Very often it is the pervasive shortage that keeps an enterprise within monopolistic concerns. Liberalization of prices will put everything into place. In addition, we have a package of measures to fight monopolism and to encourage competition. In the near future we will be ready to start breaking a number of them into smaller units and to establish competing companies on the basis of those. Monopolism will be undermined by small and medium private enterprises appearing within the first few months of the privatization, and by the development of cooperation between the government and the business circles of Russia. Breaking up an economic iron curtain, which remains quite strong, will help to create a climate of competition. The truth is that administrative regulation of foreign economic activity has become a powerul source of abuse of power and of corruption. We suffer billions of dollars of losses due to an uncontrolled export of Russian resources. Our citizens are shocked by the prices at which imported goods are being sold today. Hyperbureaucracy, which is flouishing in the external economic departments, scares respectable entrepreneurs away and attracts people with shady reputations or outright swindlers. We intend to implement without delay a number of measures to improve the situation. Among them are:

competition-based sale, for rubles, of export and import licenses; allowing foreign legal entities to sell for rubles the goods that are socially significant for the population, with the ensuing use of those for investment; and the competition-based sale of rubles for hard currency, to foreign legal entities, with those being later invested into the economy of Russia. All this, together with opening a system of currency exchange offices in Russia, will make it possible to start making our state's foreign economic activity more healthy.

One of the central directions for reform is the conversion of defense industries. Demilitarization of the country is now in progress. So far, however, this positive process has failed to achieve noticeable results, often doing direct harm to the society. Russia is completing a deep conversion program. For its implementation and control, a special committee has been established. The conversion program envisages the transition to a system of orders coming directly from the Ministry of Defense. These are already defined for 1992. Division of military and civil production will be implemented. The old practice of combining the two in one enterprise did not justify itself, since military production was supported at the expense of the profits from the production of consumer goods. Groups of plants, among them those specializing in engineering, have been defined, including those which were engaged in defense production, which, by next spring, will be able to set up production lines for the production of equipment and tools for private farms, as well as equipment for the processing and preservation of agricultural produce.

A conversion program will guarantee the regime of protection for scientific and research spheres of defense enterprises. The loss of intellectual potential in this industry is irreplaceable.

Esteemed people's deputies: Maintaining the normal rhythm of the republic's most important systems providing vital services will be a problem. One each day. First and foremost, this is the provision of foodstuffs and energy. Russia has to survive this difficult winter. I am convinced it will survive. The bodies of republican executive power control the situation in the main industries providing vital services. Although oil extraction has been considerably reduced in the republic, on the whole there are enough fuel reserves to ensure stable energy supplies during the forthcoming winter. Work is under way to ensure deployment of mobile power and heat generating units and to engage the abilities of the military complex.

The foodstuffs situation is the most complicated one. We are trying to involve all imported reserves. Nevertheless, the main issue is to bring into circulation grain that has been accumulated by farms. We have assessed Russia's resources of foodstuffs and stocks of other consumer goods. We have defined the scale of goods shortages based on the country's regions. Obviously, the deficit will not be fully compensated, but we have to preserve last year's level of consumption, including by the use of imported goods.

A special presidential fund for foodstuffs is being set up for those regions where the situation is becoming especially acute. There will be some sort of a reserve. It will be used in emergency cases, especially to provide for large cities and industrial centers.

I think that it is also necessary to create a special commission in the localities consisting of public representatives—simply, honest people—who can control the distribution of foreign aid. It is inadmissible for foreign aid to disappear this winter as it did last year.

Esteemed deputies and citizens of the Russian Federation: Realizing the inevitability of radical economic reforms, the leadership of the republic previously paid special attention to the strengthening of the bodies of power. We will continue to do so. To a certain extent, this issue is special in our republic. The time has come to say honestly and clearly that the one and only power in Russia is the Russian congress and the Supreme Soviet, the Russian Government and the Russian president.

The dynamic process of liberating the institutes of power from under the heel of the CPSU is under way. We are not afraid of accusations of lack of democracy and we will act resolutely in this area. From now on, no party will be self-appointed mistress of the Russian state. The main burden of carrying out reforms lies with the government of Russia. It is not up to this in its present composition and with its unwieldy structure. Only a government of popular trust, which people will believe in, which will convince people of the correctness of their actions, will be able to withstand this burden. Only such a government, which will work harmoniously and not be subject to internal fighting, will be able to bear this burden.

In the formation of the new government we will renounce giving priority to political considerations over professional ones. The government should be a working team. [applause] As president, I intend to create conditions for the new cabinet and to demand that it work on behalf of the people. The people will sweep all away indiscriminately unless there is order. The reorganized government will be compact in number. It is proposed that there be a considerable reduction in the number of ministries and in the apparatus of the Council of Ministers. The government will be directed toward executing a strictly defined range of functions: guaranteeing the sovereignty of the republics, stabilizing and reforming the economy, and the carrying out the social protection of the population. A number of activities will be delegated to the level of territories and self-sufficient economic entities.

Full responsibility for the state of the republic rests with the government of Russia. In this matter, I will be

granted the most essential rights. Duplication in any body, including in the administration of the president of Russia, is excluded.

Taking account of the quick changes in the situation in the course of the reforms, the congress could grant the president the right—independently or with the subsequent approval of the Supreme Soviet—to change the structure of the supreme bodies of executive power and to decide questions of the composition of the personnel of the leadership of that body.

The situation demands that a new system of interaction between the Supreme Soviet, the presidium, the government, and the president be proposed temporarily for a year. The relevant draft resolution will be presented to you. I am convinced that this is in the interests of the people, who have no interest in our procedural difficulties and friction. The situation requires decisive, energetic, and fast action. The problem of strengthening power relations vertically must be resolved immediately. I share the position of deputies who think that the best version for forming such relations is the election of the heads of executive power through nationwide elections. However, the situation today is such that this procedure is too great a luxury. It is not possible to conduct an electoral campaign and deep economic transformations simultaneously. To embark upon this would be to doom everything to failure.

I had no doubt that common sense would take the upper hand in parliament when this issue was discussed. The appointment of heads of administration was a temporary, forced measure. We started to do this immediately after the putsch in regions where the leadership openly supported the State Committee for the State of Emergency. Let me stress that the strengthening of executive bodies does not signify the automatic infringement of the rights and powers of the soviets. The essence of our actions is that in Russia the powers of executive authority should be sensibly distributed along the whole vertical chain of administrative command and the disproportions between its upper and lower levels overcome.

Serious alarm is caused by the growing scale of organized crime. It is increasingly contributing to destabilization of society and influencing the security of citizens and the economy. Corruption represents a particularly severe threat. The conflict that officials have between their official duties and private interests is quite simply a cause for dismay. The very essence of the mafia is the merging of private and state structures, out of which the worst sort of monopoly emerges. No free enterprise will survive beside it. I think that a tough and uncompromsising stand must be taken on this issue. It is particularly important that this stand be made known to the people. Let people not point to foreign experience on this. This sort of conflict of interest was only allowed to occur in such places as the Kuomintang in Taiwan or the dictatorial regimes in Latin America or Africa. In civilized countries this kind of situation is always punished and leads to the removal of politicians and ruling parties. The relevant laws must be adopted to this end, and their implementation strictly ensured. Last year alone, the activities of approximately 1,000 organized criminal groups were halted throughout the country. They had carried out almost 3,500 dangerous crimes. More than half of these criminal groups had been operating on the territory of the Russian Federation. The metastases [metastazy] of organized crime are penetrating ever more actively the structures of the state apparatus in the republics, krays, and oblasts, and into foreign economic activity and financial and credit relations. Corrupt links, open extortion, arrant bureaucratism, and other ugly phenomena not only undermine the prestige of democratic authority, but they also seriously hinder the emergence and development of market relations. Businessmen and bankers, including foreign ones, find they are unable to sort out simple matters for months on end, something that is frequently the result of overt extortion. According to available information, in the process of registering their property the majority of entrepreneurs have faced unlawful actions by officials. Almost 40 percent of those asked anonymously declared that they are expected to pay bribes. The leadership of the republic is taking measures to increase the effectiveness of actions to counter all these shady dealings.

A special state program has been elaborated. Internal affairs organs are being reinforced. Measures have been determined for judicial reform. Glasnost is developing in coverage of the crime situation. Today, these and other measures are clearly insufficient. Laws have to be prepared and passed on organized crime, on corruption, and on operational investigative work. Such drafts exist.

Together with improving taxation legislation, we have to ensure both a precise legal mechanism for monitoring income and also effective work on the part of tax inspectorates that are capable of professionally and competently exposing any wheeler-dealer who cheats society and citizens. The economic reform will substantially narrow the field for organized crime, as there will not be the present confusion. Legal provisions must also fully involve the security organs. For them, the fight against organized crime is one of the paramount tasks today.

The practical implementation of urgent economic reforms is impossible without comprehensively ensuring the daily security of the citizens and labor collectives of a specific territory or region. I have in mind security against the arbitrary actions of bureaucrats, against the vagaries of the market, against criminal elements and finally, against the incompetent and inept acts of state and economic managers at the center and in the localities. Corruption and abuse of office currently find a fertile environment in our indecisiveness and irresponsibility. People cannot live and work with dignity while they feel threatened every day for their work, for themselves, and for their families. The main measures for ensuring security in the immediate future have been determined and will be rigorously implemented.

A few words on military matters. The main thing at present is to concentrate on reform in the armed forces, and on the social protection of servicemen and those being discharged into the reserves. A presidential decree has been signed on creating a center for retraining officers for civilian professions. A lot is being said about Russian guards. The August events show that it is necessary to have them. A decision on the creation of a guard corps was made, but spontaneous actions have started to take place which are unacceptable in state matters. The Russian defense committee is preparing draft laws on the acutal formation of the guards. The guards should be created on the basis of a number of internal affairs department units and be supplemented on a contractual and competitive basis.

You know that certain republics have announced the formation of national armies. We are in no hurry to do so. It makes more sense politically to have joint armed forces in a community of sovereign states, with a unified command. But if, against our wishes, the process of creating national armies in the republics goes ahead, we will have no alternative but to form our own Russian army. But that will not be our choice.

Esteemed comrade people's deputies: The process of self- determination of peoples, which began as far back as before the 1917 revolution but which was grossly and forcefully broken off for many decades, has entered a decisive phase. The Russian people affirm that the new ethnic consciousness is democratic in essence. The will expressed by the sovereign countries and autonomies of the RSFSR to live in a federation is at the root of the modern approach to these issues. At the same time, the collapse of the elite system is leading to processes for national renewal assuming in some places an extremely morbid form. Under these conditions, it has become increasingly important to create a judicial basis for the Russian state. We are especially concerned with the problems of the Russian speaking population beyond the borders of Russia.

The RSFSR leadership is striving to protect the rights of every citizen to live where he chooses. We are undertaking judicial and political measures. It is clear today that they are not sufficient. We intend to hold talks on the rights of the Russian speaking population with parliaments of all republics of the former Union. We have sufficient scope to tackle these issues on a legal, democratic basis. I also believe it is desirable for the Supreme Soviet to adopt a legislative act to determine the status of refugees and forced immigrants. The relevant committee of the Supreme Soviet will consider whether it is desirable for the RSFSR to ratify the declaration on refugees, which has been worked out under the aegis of the United Nations, but which has not yet been ratified by the Union.

Under the new conditions, a new state cultural policy is to be worked out. Despite the crisis, we will try to maintain culture and art as much as we can, above all in the sphere of acute, burning issues. But I must put this bluntly: We do not have the funds to improve the deplorable state of the arts in any substantial way in the near future. Such is the harsh truth. These funds will definitely emerge if we manage to implement the economic reforms we have planned. I believe that the intelligentsia will not only show understanding in this regard but also give their assistance, which is so necessary in these hard times.

I think the numerous demands that a considerable part of the CPSU's property be handed over to the sphere of culture and education are just. We place a high value on the contribution of the Russian Orthodox Church and other religions to the cause of the preservation and rebirth of culture and the heritage of Russia. I am certain that these noble efforts will multiply in our difficult times.

A most valuable component of the Russian potential is science. Last year when Russia was forced to defend its sovereignty, the RSFSR Supreme Soviet adopted a law on the development of science. Then the USSR Academy of Sciences, 96 percent of which consists of scientific establishments situated on the RSFSR's territory and Russian scientists, tried to speak up as an organization independent of the RSFSR. Now the situation has changed sharply.

Now the situation has changed abruptly. The general assembly of the Union academy recently made a decision to transfer to Russian jurisdiction. Russia is prepared to back that decision. It is important to make use of the mighty scientific potential of the Union academy for the needs of Russia, by carrying out a certain amount of reorganization, especially in order to maintain institutions predominantly engaged in fundamental sciences, which are among the strongest in the world. I support the idea of urgently convening an all-Russian congress of scientists, at which all aspects of scientific organization in Russia and its survival under economic reform should be discussed.

The emergence of a large number of political parties and movements reflecting the multiplicity of views, stands, and demands of the citizens of Russia has become a characteristic of the times. The president of Russia is ready to build his relations with the political parties of Russia on the principles of dialogue and partnership.

In order for the new economic policy to be implemented, it is necessary for each of the political parties of Russia to make its own choice in regard to these reforms. Those parties and movements that support the proposed measures can consider the matter of establishing a single political bloc. This is necessary to mobilize mass support for the policy of transformations and to ensure political stability in the republic. In turn, the president is ready to provide feedback to the political forces and facilitate their systematic dialogue with state structures. We are ready to brief the main political forces on major state decisions being planned and to amend these, depending upon the results of this sociopolitical consultation with

experts. This bloc of political parties, having concluded a strategic union with the president, would become a major source of ideas, suggestions, and plans for implementing reforms.

The trade unions require special mention. Their desire to emerge from state tutelage, to rid themselves of excessive bureaucracy, and energetically and independently to defend the rights of the working people can only be welcomed. However, the trade unions cannot limit themselves to making ever more demands on the government. The most difficult circumstances in which we must bring about a radical transformation of the economy demand responsibility from everyone, as well as realism and a readiness for sensible compromises. The president and the government are ready to do their part. As promised, I signed a decree guaranteeing the legal right to trade union activity. Fuller rights will be stipulated in a special law. Given that conflicts are nevertheless inevitable and must be settled by civilized methods, it is expedient that one of the first measures should be to discuss in parliament laws on agreements and collective accords and on the procedure for settling labor conflicts.

Until such laws are adopted, the presidential decree provides a mechanism for trilateral consultations among trade unions, employers, and the government for resolving labor conflicts. This will remain in force. In overall terms I want to emphasize that for the sake of the success of the reforms, without which there can be no expectation of raising living standards, it is essential to display the utmost restraint in submitting claims and to establish a working relationship between the state, local authorities, and the trade unions.

The republics within Russia have made no small gains from the democratic transformations that have occurred in recent years. They have consolidated their status as states and are dealing on their own with practically all the main issues connected with the functioning of their economies and state institutions. At the same time, many problems remain unresolved. A number of republics are quite justifiably pointing out that a considerable part of their economic potential in the form of raw materials is under the control of central departments and does not provide due returns for the residents of those republics. These questions have to be examined and resolved by the new Russian cabinet. We have to move to meet the reasonable and legitimate demands of the republics of Russia.

At the same time there is a point beyond which we cannot go under any conditions. This point is Russia's territorial integrity and its state and legal unity. We cannot allow and will not allow the breakup of Russia, or its fragmentation into dozens of prinicipalities that are at war with each other. We had this once in our history, and we paid an expensive price for it. We recognize peoples' right to self-determination, but this right cannot be implemented to the detriment of rights of other peoples. Any changes in republican state status and territories within Russia should be implemented constitutionally and on the basis of laws. The main criterion for the tackling of such issues should be citizens' will, that is, the will of peoples who live in the relevant republic or on its territory. This will should be expressed by the means of a referendum. No one has the right to usurp the right to decide the fates of peoples and states unless he gets a direct and unambiguous sanction to do so from the peoples themselves.

Again and again there arises the question of Russia's foreign economic strategy. It is time to clarify this. We have ceased to be an adjunct to Union structures. We intend to enter the world economic system on an equal basis with all sovereign states; hence our line of direct participation in international financial and trade organizations, agreements and conventions, and transforming our currency and foreign trade systems to bring them into line with international standards.

In cooperation with foreign specialists we are prepared to open up immediately strategic data essential for entry into international organizations and to accept the basic principles set down in the charter of the International Monetary Fund. We appeal officially to the International Monetary Fund, the World Bank, and the European Bank for Reconstruction and Development, inviting them to work out a detailed plan for cooperation and participation in the economic reforms.

We appeal to the developed countries and to international organizations for technical help and assistance first and foremost in the training of cadres and in the analysis and working out of recommendations for the key economic, ecological, and regional issues.

The significance of the influx of private foreign capital investments for reviving Russia's economy is very great.... We are willing to discuss with the world community and to adopt a package of measures aimed at promoting these and at ensuring the necessary guarantees. We are counting on a package of specific economic reforms for getting serious international financial support. We invite the leading countries of the West to plan a system of support for their companies operating in Russia. Special guarantees, insurance, and subsidies to Western companies are the simplest and most effective way of providing assistance.

Russia confirms its intention to observe the international obligations of the USSR and to determine methods and ways of servicing the external debt and the guarantees of the interests of our credits. We are counting on Western understanding of our position on these issues and on assistance in working out a policy aimed at stimulating Russia's economic development. In Russia foreign countries will find a partner who is true to the international obligations of the Union and ready to move resolutely forward along the road of openness, mutual trust, and mutually advantageous cooperation. We firmly intend to occupy a worthy place among the world's democratic states. This place rightly belongs to

great Russia. We have put forward a proposal for the reorganization of the Ministry of Foreign Affairs of the Union. It must be the coordinator of the international activity of the republics and have an apparatus approximately one-tenth the size it is now. It now consists of 3,500 people, just here in Moscow.

Esteemed people's deputies, citizens of Russia: It is our difficult lot to live in the Russian state at one of the most critical moments in its history.

I appeal to people's deputies: Thanks to the legislative policy of the preceding period we have won in the struggle against the forces of totalitarianism. The radical changes in the political situation urgently demand a dynamic switch from the struggle for control over the national economy to resolute actions for stabilization and radical reforms in the economy.

The extremely condensed period of time we have been allowed to implement stabilization measures requires from all of us extreme political correctness. Confrontation, suspicion, and aiming for a fight are impermissible today in such important and responsible work.

I appeal to the leaders of the states being formed on the foundation of the former Union. Russia has resolutely embarked on the road of radical reforms. We appeal to the republics to proceed along this road together. Coordinated action will make progress easier. We do not have the possibility of linking the reform timetable with the achievement of all-embracing interrepublican agreements on these issues. Russia recognizes the right of each republic to determine its own strategy and tactics in economic policy, but we are not going to go out of our way to fit in with others.

For us, the time for marking time has passed. An economically strong Russia will have substantially greater possibilities for supporting her neighbors than a Russia standing on the verge of economic collapse.

I appeal to the world community. Russia is carrying out reforms in its own interests and not under pressure from outside. Help from the world community could substantially ease our progress along this path, and speed up reforms. Russia is not begging for handouts. What we want is cooperation and partnership.

Esteemed fellow citizens: It will only be possible to implement difficult but essential reforms with broad public support. I will be frank. It will not be easy for us, so I appeal to you, citizens of Russia. We are heir to a hard legacy. Only after the disintegration of the center did the abyss in which the economy found itself open up fully—a squandered gold reserve, exhausted hard currency reserves, and internal and foreign debts. The crisis has reached a phase when only rapid and resolute measures can save the situation. These measures are painful, but their result will be stabilization and the start of an upswing. Without the support of the people, without trust in the new government, they are doomed to failure.

In conclusion, I would like to say the following: The events of 19 to 21 August required an extreme exertion of strength. The question being resolved is: Was Russian democracy to be or not? Let this not appear as an exaggeration, but we are today in effect entering just such a historic period in terms of the degree of responsibility and exertion of strength. The peoples of the Russian Federation are standing on the threshold of one of the most significant and important stages in their history. Now we must all work as we did during those August days.

In this situation, for this crucial and difficult period, as head of Russia's executive authority exercising leadership over the activity of the Council of Ministers under the constitution, I am prepared to take direct charge of the government, pledging to my people that I will form a reform cabinet. I count on understanding and support from deputies and every citizen of Russia. [applause]

We have everything we need to ensure that our reformist breakthrough ends successfully. We must have faith in ourselves and in our strength. We must mobilize the entire material and intellectual potential of the peoples of Russia for the great task of transforming Russia. When that happens, we will have attained our main goal. We will be free and happy people in a free and prosperous state.

Dear compatriots, citizens of Russia: I appeal to you at this crucial period in our history. Today we are all required to make a decisive choice. The will and good sense of the people, the courage of politicians, and the knowledge of professionals are needed to achieve this end. Your president has made this choice. This is the most important decision of my life. I have never sought easy ways, but I am well aware that the months to come are going to be my most difficult. With your support and faith, I am willing to travel with you to the end of this road.

It is time for the unification of all civic, national, and political forces. The time has come for practical action on behalf of and for the good of every citizen of Russia, on behalf of and for the good of every Russian family, on behalf of and for the good of the Russian state. [applause]

Rumyantsev Says Opponents Upset Yeltsin Plans

LD2810144191 Moscow TASS International Service in Russian 1334 GMT 28 Oct 91

[By Gennadiy Talalayev]

[Text] Moscow, 28 Oct (TASS)—"A foolish congress has adopted a foolish decision." These were the emotional words used by Oleg Rumyantsev, secretary of the Russian Soviet Federated Socialist Republic [RSFSR] Constitutional Commission, to describe the results of the decision by Russian people's deputies not to include on the agenda the draft of a new basic law for the republic.

Addressing a press conference during the congress interval, Oleg Rumyantsev laid the blame for this on the opponents of reform "who have not yet been broken." According to him these forces are represented by the "Communists of Russia" group, by a group of deputies from autonomous areas "who do not like the revival of Russian statehood", and by the "Smena" group which has recently been pursuing a "foolish policy of opposing the RSFSR president and trying to discredit what he is doing."

Oleg Rumyantsev said that Boris Yeltsin had been preparing to deliver at the congress a "very strong report on the draft constitution, but unfortunately Russians will not hear it." In the opinion of the commission secretary, the congress has thereby indefinitely postponed a gigantic step in constitutional reform. In this connection he called for preparations for new elections of Russian deputies in spring 1993 because that would be in accordance with the interests of the people of Russia.

TASS Summarizes First Day of Session

LD2810155191 Moscow TASS in English 1533 GMT 28 Oct 91

[By Vladimir Isachenkov]

[Text] Moscow October 28 TASS—The second round of the fifth extraordinary Congress of Russian People's Deputies began here today with a speech by Russian President Boris Yeltsin, who announced his intention to head personally the government of the republic and immediately begin a radical economic reform, and end state control of pricing already this year.

After his speech, the congress approved the six-item agenda.

The agenda includes:

—the election of the chairman of the Russian Supreme Soviet,
—the election of the Constitutional Court,
—the introduction of changes and additions to the acting republican Constitution,
—the renovation of part of the Council of the Republics' and the Council of Nationalities' membership,
—the discussion of the social and economic situation in Russia,
—the situation in South Ossetia.

The last item of the agenda was approved without voting.

Then, the deputies began nominating candidates to the post of the republican Supreme Soviet's chairman. Neither acting chairman of the parliament Ruslan Khasbulatov, nor his rivals managed to gain the majority of votes at the first round of the congress last July.

Today five candidates to the post were nominated, namely Ruslan Khasbulatov; his major rival at the summer elections Sergey Baburin; deputy from Solnechnogorsk, the Moscow region, Yuriy Slobodkin; Muscovite Mikhail Chelnokov; and Ilya Konstantinov from Saint Petersburg.

The candidates presented their programs. Sergey Baburin and Ilya Konstantinov made their speeches before the break.

Baburin noted that the core of his program is the deepening of the economic reform on the basis of multiformity, with the simultaneous dismantling of the previous economic system, and the formation of all democratic institutes on the basis of national traditions.

He spoke in favor of the political course of President Yeltsin. "After August 22, radical mass media, first of all, hit out at Boris Yeltsin and his entourage, fearing the unification of the executive authorities and the forces that, advocating various stands, call for the consolidation of the Russian statehood," Baburin said.

At the same time, Baburin criticized Yeltsin's intention to release price controls this year. He said "the shock therapy will mean the end to economic and political democracy."

Another candidate, Ilya Konstantinov, nominated by the "Democratic Union" faction, stressed "it is necessary to consolidate sound forces of society on the basis of democratic patriotism."

Deputies Approve Candidates for Congress Chief

LD2810184191 Moscow TASS in English 1642 GMT 28 Oct 91

[By Tamara Zamyatina]

[Text] Moscow October 28 TASS—Deputy Yuriy Slobodkin, chairman of the Solnechnogorsk City Court, showered rebukes at the Russian and Soviet leadership at today's session instead of setting out his programme of action as a nominee for the post of the Russian parliament head.

He said the leadership's desire for interaction with developed countries was a cover for the expansion against Russia on the part of NATO and the United States and charged Gorbachev and Yeltsin with treating the Soviet Constitution as a mere scrap of paper.

Under these conditions, the contender said, the Russian Supreme Soviet should review all the laws it passed over the past twelve months, end ballyhoo around political opponents, stop the destruction of soviets (councils) and restore their powers.

Slobodkin was then asked a number of direct questions and speakers noted that his hopes for the top post in Russian legislature was an offense to the congress.

Acting Chairman of the Russian parliament Ruslan Khasbulatov, also a nominee for the post, spoke next. He

set out a programme calling for pulling the country out of the crisis with the help of extraordinary organizational, political and economic measures. He called on the Supreme Soviet to form "a legal space to ensure the successful activity of the government and the president".

According to Khasbulatov's concept, the parliament and the president must interact on a partnership basis. Legislative activity, he said, should be directed to stabilize the monetary circulation, help privatisation, develop free enterprise and revive the Russian countryside.

Parliament decisions should emerge as a result of interaction of a wide spectrum of political groups, said another contender Mikhail Chelnokov, a member of the Radical Democratic Faction's coordinating board.

According to him, the main task of the Russian parliament is its law-making and political activity aimed at creating favourable conditions in the country to ensure its people's freedom in making interesting and profitable work.

After hearing out the contenders' political statements, the deputies approved the list of candidates to be included in the secret ballot papers for elections which are due to take place after the end of the afternoon session.

Khasbulatov Elected Supreme Soviet Chairman

LD2910083691 Moscow TASS in English 0826 GMT 29 Oct 91

[Text] Moscow October 29 TASS—Ruslan Khasbulatov has been elected the chairman of the Russian parliament, with 559 deputies voting for him and 381 against.

These official data were announced here today at the beginning of the second day of the proceedings of the Fifth Congress of Russia's People's Deputies.

The other candidates fared as follows: Sergey Baburin polled 274 votes, Ilya Kostantinov—20, Yuriy Slobodkin—42 and Mikhail Chelnokov—20 votes.

TASS Carries Biography

LD2910112991 Moscow TASS in English 1041 GMT 29 Oct 91

[By Lyudmila Aleksandrova]

[Text] Moscow October 29 TASS—Ruslan Khasbulatov has been elected chairman of the Russian parliament at the second stage of the Fifth (Extraordinary) Congress of Russia's People's Deputies which is in its second day in the Grand Kremlin Palace.

Official results of Monday's [28 October] secret ballot were announced today at the beginning of the second day of the congress proceedings. Khasbulatov polled more than a half of votes (559 votes for and 381 against), getting ahead of his main rival Sergey Baburin, who represents the centrist group Rossiya, and the other three candidates.

The first phase of the Fifth Congress of Russia's People's Deputies, held in July this year, was interrupted because the deputies failed to elect a parliament chief after several rounds of voting: Neither Khasbulatov, who was nominated by the Democratic Russia Movement, nor Sergey Baburin, backed by the "Communists of Russia" bloc, managed to poll the necessary number of votes.

On the eve of the fifth congress Khasbulatov was believed to stand the highest chances to win but did not triumph because a certain proportion of democrats refused to support him.

He was blamed in particular for an "authoritarian style" of managing parliament and "manifestations of haughtiness" with regard to deputies.

Despite the fact that Khasbulatov is one of the closest associates of Russia's President Boris Yeltsin, a large proportion of the democratic camp did not want to vote for him.

Following the August coup that radically changed the situation in the country and weakened the positions of the Communists of Russia bloc, the attitude to Khasbulatov's candidacy by many deputies—both democrats and communists—changed, which was illustrated by the results of Monday's voting.

Ruslan Khasbulatov is a Chechen. He was born in Groznyy on November 22, 1944. During the Stalinist repressions against the Chechen people in 1944, his family was banished to northern Kazakhstan.

He graduated from Moscow State University in 1965. Professor Khasbulatov is doctor of science (economics) and departmental chief at Moscow's G.V. Plekhanov Institute of the Economy.

Khabulatov was elected the first deputy of the Russian parliament at the First Congress of Russia's People's Deputies in June 1990. The post of the parliament leader at that moment was filled by President Boris Yeltsin.

Since then Khasbulatov has been one of the most active members of the Russian president's "team". In parliament, Khasbulatov is known as an expert on the national-territorial set-up of the Russian Federation.

A member of the Soviet Communist Party since 1966, Khasbulatov had repeatedly stated before the August coup that he did not intend to withdraw from the party. In parliament, he always acted as an upholder of the interests of the bloc of democrats.

Khasbulatov is married. His wife is Nada Khasanovna. They have a son, Omar, 17, and a daughter, Selema, 16.

Two Yeltsin Opponents Resign From Parliament

LD2910091191 Moscow TASS in English 0857 GMT 29 Oct 91

[By Gennadiy Talalayev]

[Text] Moscow October 29 TASS—Two opponents of Russian President Boris Yeltsin today submitted their resignation to the on- going Congress of People's Deputies. The congress, the Russian Federation's supreme legislative body, accepted the resignation of Boris Isayev and Svetlana Goryacheva who served as deputies to the chairman of the Russian Supreme Soviet, of the standing parliament.

Both Isayev and Goryacheva were members of the so-called Group of Six who sharply criticised Yeltsin last spring and sought his resignation as head of parliament prior to his election as Russian president.

Khasbulatov: Chechen-Ingush Elections Illegal

OW2910141391 Moscow INTERFAX in English 1215 GMT 29 Oct 91

[Transmitted via KYODO]

[Text] Speaking at the Congress of People's Deputies of the Russian Federation today, Ruslan Khasbulatov described the elections to the Supreme Council of the Chechen-Ingush Republic held on October 27 and organized by the Executive Committee of the National Congress of the Chechen People as illegal. Out of an electorate of 1.5 million a mere 200,000 took part in them.

There were also elections for president of the Chechen Republic held the same day, which, as has already been reported, were won by Dzhakhar Dudayev, a retired Air Force general. The final results of the parliamentary elections, however, are still unknown.

Yesterday a protest rally of some 4,000, not sanctioned by the authorities, was held on Sheikh Mansur Square in Groznyy. The speakers claimed the parliamentary and presidential elections had been illegal.

Federation Affairs

Defense Industry Conversion Committee Founded

OW2810184891 Moscow INTERFAX in English 1700 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] President Yeltsin has issued a decree on the foundation of a RSFSR [Russian Soviet Federated Socialist Republic] State Committee on Conversion.

The committee is expected to work out efficient methods of state control over the conversion of defense plants to civilian production with a view to filling the RSFSR market with quality consumer and technical goods within the shortest possible time.

Vice-President Aleksandr Rutskoy will supervise the new committee whose head will be appointed later.

Foreign Ministry Supports Reforming Union Ties

LD2810183491 Moscow TASS in English 1754 GMT 28 Oct 91

[By TASS diplomatic correspondent Andrey Surzhanskiy]

[Text] Moscow October 28 TASS—The Russian Foreign Ministry has reiterated the importance of "reforming foreign political structures and interaction on international problems among sovereign republics," TASS learned from the commentary released by the Russian Foreign Ministry today.

Earlier, the head of the Russian Foreign Ministry, Andrey Kozyrev, had said "the Soviet Foreign Ministry in its present form does not meet the interests of the Russian Federation and other republics, as well as of forming the renovated Union".

He favoured "the transfer of the main functions and staffers of the Soviet Foreign Ministry to Union republics".

The Soviet Foreign Minister Boris Pankin regarded this statement as "a slip of the tongue" and stressed that before his trip to the Middle East a full consensus had been achieved concerning the common tasks, coordination of efforts and the division of powers between the union and republican foreign ministries.

The commentary by the Russian Foreign Ministry calls this statement by Boris Pankin "somewhat strange" as the recent meetings of the Council of Foreign Ministers had discussed "deep changes in the Union ministry, including radical cuts and the transformation of the USSR Foreign Ministry into an inter- republican consultative and coordinating structure."

The inevitable process of radical cuts in the apparatus of the USSR Foreign Ministry, TASS was told, should cause no panic among its staffers. Both the Russian Foreign Ministry and the foreign ministries of sovereign republics need professionals.

'Fears' Voiced About New Russian KGB

LD2810214591 Moscow Russian Television Network in Russian 1800 28 Oct 91

[From the "Vesti" newscast]

[Text] [Aleksandr Gurnov] Mikhail Gorbachev has sent a draft law to parliament which envisages abolishing the USSR's KGB. In the last few days there has been much talk about Russia's KGB as a successor to the Union

KGB. Moreover, fears are being voiced that Russia's KGB is copying not only the best from the Union KGB.

Today Sergey Belozertsev, in an interview to the RUSSIAN INFORMATION AGENCY, stated that Democrats, people who came out against the State Committee for the State of Emergency, are being dismissed from the Russian KGB. Belozertsev intends to appeal to Yeltsin on this matter.

Procurator on Investigation of Coup Plotters

LD2810175191 Moscow TASS International Service in Russian 1545 GMT 28 Oct 91

[By TASS parliamentary correspondent Vladimir Isachenkov]

[Text] Moscow, 28 Oct (TASS)—By the end of November, the Procurator's Office of Russia will complete the investigation into the case of the State Committee for the State of Emergency [SCSE] and will present case materials to advocates and their clients so that they may familiarize themselves with them, Valentin Stepankov, procurator general of the Russian Soviet Federated Socialist Republic [RSFSR], told the TASS correspondent.

He stressed that the leaking of investigation materials (the showing by Spiegel TV of video cassettes of recordings of the interrogations of Dmitriy Yazov, Vladimir Kryuchkov, and Valentin Pavlov) was dictated by political motives.

"It was aimed at the Russian Procurator's Office, and was an attempt to compromise it," Valentin Stepankov said. "Moreover, it also pursues another aim—to represent the putsch as some kind of light-hearted evening party, and that is a very dangerous tendency."

He said that the leak did not damage the investigations but damaged the clients themselves by restricting, to a certain extent, the possibilities of their defense. After the public showing of their questioning, they can no longer deny their testimonies, even though they have the legal right to do so.

Valentin Stepankov reported that the conditions in which those under investigation are being kept are unchanged: They are able to work with their lawyers, almost all have already had one meeting with their wives and children and receive parcels weighing up to 10 kilograms per month. "The catering standards for the whole detention center in which they are being held—and not just for them—has changed and corresponds to the catering standards for conscript soldiers in the RSFSR Ministry of Internal Affairs," said Valentin Stepankov.

The Russian procurator general reported that Anatoliy Lukyanov has been examined once again in hospital and is now back in the detention center. "The doctors have given us their official conclusion that he can now be investigated and that he can be kept under guard," noted Valentin Stepankov.

Valentin Stepankov rejected the claims which have appeared in the press that Yevgeniy Lisov, head of the investigation team, is leading official inquiries into the leak. "This is not the case. Yevgeniy Lisov is giving explanations about the leak to an independent group of procurators, set up to supervise the course of investigations. I have done the same," reported the general procurator. "The possible versions of the leak have already been outlined."

Valentin Stepankov refused to give the names of others against whom charges might be brought in the SCSE case, taking into account that "there have been quite a lot of suicides over this case already."

Democratic Russia Sets Congress for 9-10 Nov

OW2810184591 Moscow INTERFAX in English 1700 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Democratic Russia [DR] movement will hold its second congress in Moscow on November 9-10. A little over 1 year after the first congress, some 1,500 DR delegates from 74 regions, 10 political parties and many public and political associations throughout Russia will gather in the RSFSR [Russian Soviet Federated Socialist Republic] capital to discuss the problems facing the republic's most representative public movement.

The congress will involve the DR leaders Y. Afanasyev, G. Yakunin, L. Ponomarev, V. Dmitriyev, G. Starovoitova, G. Popov, Y. Chernichenko, T. Gdlyan, V. Lysenko and others. Delegates will discuss the political and economic situation in the RSFSR, and the goals and functions of the DR movement.

Many prominent politicians, among them B. Yeltsin, M. Gorbachev, A. Rutskoy, E. Shevardnadze and A. Yakovlev, as well as worker activists and representatives of artistic associations, trade unions and ethnic societies will attend the congress as guests.

The DR congress will be held at the movie theater Oktyabr. Accreditation of journalists will take place on November 5-6 from 10AM to 6PM at 22, Petrovka St., Room 204. Telephone 925-4318.

Local Affairs

Chechen-Ingush Finishes Presidential Elections

Soviet Issues Resolution

LD2610163491 Moscow Radio Rossii Network in Russian 1400 GMT 26 Oct 91

[Text] The provisional soviet of the Chechen-Ingush Republic issued a resolution today on holding a referendum on 17 November. Participants will have to

answer two questions: on the expediency of introducing the presidential post in Chechen-Ingush and on the necessity of it being divided into the independent Chechen and Ingush republics.

Dudayev Wins Presidency

OW2810171591 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] According to L. Dariyeva, a member of the Central Electoral Commission, Sunday's [27 October] presidential elections in the Chechen republic involved 98 percent of the rural residents eligible to vote, of whom 99 percent gave their votes to retired Air Force General Dzhakhar Dudayev, leader of the Chechen National Congress (there have been no reports about voter turnout in Grozny—IF [INTERFAX].

Ms. Dariyeva said the election campaign had been seen through by public enthusiasts, since the government of Checheno-Ingushetia had refused to finance it. The Electoral Commission had not been equipped with computers and would require a few more days to count the votes.

The final results will be published in the local newspapers on November 2.

On October 24 the Russian Soviet Federated Socialist Republic [RSFSR] Supreme Soviet warned that the election of Chechenia's president would be unlawful.

Dudayev Sends Message to Yeltsin

LD2810204291 Moscow TASS International Service in Russian 1847 GMT 28 Oct 91

[By Sharip Asuyev and Aleksandr Kharchenko]

[Text] Groznyy, 28 Oct (TASS)—Dzhakhar Dudayev, president of the Chechen Republic, sent an address today to Boris Yeltsin, president of the Russian Soviet Federated Socialist Republic [RSFSR] and to the RSFSR Supreme Soviet Presidium.

He expressed "confidence that the Chechen Republic and the Russian Federation will build their relations in accordance with the civilized norms of the international community and of mutual respect for rights and freedom. I am sure that all our future ties will lead to mutual understanding and to the strengthening of the bonds of friendship between our peoples and that they will further the prosperity of our republics".

Dudayev Cites Stance, Policies

LD2810230191 Moscow TASS in English 2004 GMT 28 Oct 91

[By Sharif Asuyev and Aleksandr Kharchenko]

[Text] Groznyy October 28 TASS—Dzhakhar Dudayev, the first president of the Chechen Republic, made a statement for the press at a news conference in Groznyy today.

He said, in part: "In foreign policy I would follow the 'open doors' principle. Equality and mutually advantageous cooperation with all republics and states will become a rule and norm in the international arena. We will build an open society and orient ourselves to universal human values."

On domestic policy, Dudayev noted that he would promote the priority of civilian peace, accord and prosperity of all peoples living on the territory of the Chechen republic, irrespective of their faith, race and social status. He also stressed that he is a firm advocate of single and indivisible Chechen-Ingushetia.

"Ingushes are our brothers, and this does not need to be proved. As soon the Ingush population sees it necessary and possible to join presidential and parliamentary elections on their territory, the question of creation of a single Vaynakh republic on a voluntary basis will be solved immediately."

Speaking on relations with the Russian Federation, Dudayev said, that the Chechen republic is prepared to build its relations with Russia on the principles of equality, mutual benefit and interests of the two sides.

Dudayev today sent an address to Russian Federation President Boris Yeltsin and the Presidium of the Supreme Soviet of Russia.

He expressed "conviction that the Chechen Republic and the Russian Federation will build their relations in accordance with the civilised norms of the international community, mutual respect for rights and freedom. I am convinced that our future relations will lead to mutual understanding and stronger ties of friendship between our peoples, will promote the prosperity of our republics."

Mordova To Hold Presidential Elections 14 Dec

LD2710182891 Moscow Radio Rossii Network in Russian 1000 GMT 27 Oct 91

[Report by Anatoliy Antonov from Saransk on results of extraordinary session of Mordova Supreme Soviet]

[Text] One of the major questions on the agenda—the elections for president of Mordova—has been resolved. They will be held on 14 December. At face value the law on the presidency seems to be a very democratic one. The right to nominate candidates for the post of president has been given to any working collective, party or movement of any orientation. Yet, various candidates and their supporters have to carry out an enormous amount of work in a matter of days. They have to form a team which the Central Electoral Commission has to approve within three days. By 14 November the team

has to collect 10,000 signatures in support of the candidate, something that is clearly impossible to fulfill within such an unrealistic timescale. If this fails, then here is where one of the antidemocratic points of the law on elections comes into force. The candidatures for the election as deputies will have to specified by the session of the Supreme Soviet of the Mordovan republic. Each of the candidates has to get the support of no less than one-third of the corps of deputies. Judging by the balance of forces in the republican parliament, which is clearly dominated by former party apparatchiks, leaders of the enterprises and organizations, the democratic minority has no chance of getting through with their own nominee.

It appears most likely that the elections for president of Mordova will be unopposed. This is the usual case with the republic. Suffice it to say that out of the present composition of the Supreme Soviet of the Mordovan republic elections were held unopposed in 130 of the 176 electoral constituencies.

External Affairs

Yeltsin Congratulates New Armenian President

LD2310133791 Moscow TASS International Service in Russian 1210 GMT 23 Oct 91

[By Tigran Liloyan]

[Text] Yerevan, 23 Oct (TASS)—Russian President Boris Yeltsin has sent a telegram to Levon Ter-Petrosyan in which he congratulated him on being elected Armenian president. The telegram expresses confidence that the election of L. Ter-Petrosyan to the top state post of the republic will open favorable new opportunities for strengthening mutual relations and cooperation between Armenia and Russia for the benefit of the two fraternal peoples.

International Affairs

Yeltsin, Cypriot President Exchange Views

LD2910095191 Moscow TASS International Service in Russian 0925 GMT 29 Oct 91

[By Sergey Postanogov]

[Text] Moscow, 29 Oct (TASS)—A meeting was held here today between Russian President Boris Yeltsin and President of Cyprus Yeoryios Vasiliou, who is in the Soviet Union on a working visit.

In a brief conversation with Soviet and foreign journalists immediately following the meeting, Vasiliou said that the meeting passed in a "very friendly atmosphere." The sides exchanged views on the economic changes taking place in the Soviet Union and discussed the prospects for developing bilateral relations between Russia and Cyprus, as well as the Cyprus problem. Vasiliou reported that Boris Yeltsin supports a proposal to establish special relations at the regional level between Cyprus and Krasnodar Kray. Vasiliou noted that work on this project will be carried out in the coming months.

Vasiliou invited the Russian president to visit Cyprus.

Rumyantsev Issues Statement on Kuril Islands

PM2210093191 Moscow ROSSIYSKAYA GAZETA in Russian 19 Oct 91 p 3

[Statement by Oleg Rumyantsev, leader of the Russian Social Democrats: "On 'Territorial Question' Between Russia and Japan"—ROSSIYSKAYA GAZETA headline]

[Text] **Statement by Russian Soviet Federated Socialist Republic [RSFSR] People's Deputy Oleg Rumyantsev, leader of the Russian Social Democrats and responsible secretary of the RSFSR Constitutional Commission.**

The process of the preparation of Russian public opinion for the "slow transfer" of a number of islands of the southern Kurils forming part of the RSFSR's Sakhalin Oblast to Japanese sovereignty has been activated recently. This time it is not Union but Russian politicians and state officials who are to the fore in these actions. Understandably, Tokyo is not concealing its optimism in connection with the possible results of Japanese Foreign Minister T. Nakayama's six-day visit to the RSFSR.

As a Russian people's deputy and leader of a political party I consider it my duty to state the following.

1. I cannot understand by whom and from whom a mandate, and what kind of a mandate has been received enabling individuals on behalf of the RSFSR to conduct talks whose outcome is highly dubious for the state interests of Russia. Who determines "the RSFSR's position" on this question—the president of the RSFSR, the leader of parliament, the chairman of the Committee for International Affairs and Foreign Economic Relations, the RSFSR Foreign Ministry? In a number of cases the statements of RSFSR officials have been exceeding their powers and verge on a violation of the RSFSR Constitution and laws.

a) Under the existing RSFSR Constitution the determination of the RSFSR's foreign policy is assigned exclusively to the Congress of RSFSR People's Deputies while the RSFSR Council of Ministers (not to mention individual ministers or their deputies) is empowered to resolve questions only insofar as they are not within the competence of the congress or the Supreme Soviet—which includes the exercise of leadership in the field of the RSFSR's relations with foreign states. Neither the congress nor the Supreme Soviet has taken decisions making it possible to give any assurances to the Japanese side.

b) According to point eight of the Declaration on the RSFSR's State Sovereignty "the territory of the RSFSR cannot be changed without the people's will being expressed through a referendum." This provision of domestic law, which is of important significance, should be directly considered during talks on the islands. Otherwise, in accordance with the Vienna convention "On the Law of International Treaties" (1969) the results of subsequent agreements and commitments could be assessed as having been made with blatant violation "objectively obvious to a state acting conscientiously in the matter."

2. Today an attempt is being made to explain to the Russian public the well-foundedness of the transfer of **four** islands: small (Khabomai and Shikotan) and large (Iturup and Kunashir).

A political and legal analysis shows that the problem of the nonsolution of territorial demarcation does exist but **it affects only the islands of Khabomai and Shikotan.** And them alone. The islands of Iturup and Kunashir do not belong to Japan, as has been enshrined by not one but a number of acts of international law (the 1945 Potsdam declaration, the 1951 San Francisco peace treaty). The RSFSR must precisely confirm this clear position.

3. An attempt is being made to frighten us with the fact that this position allegedly blatantly contradicts universally accepted norms of international law. That is juggling with the facts because:

a) The question of the succession of the "commitments in full" assumed by the **Soviet** and not by the Russian **leadership** under the 1956 joint declaration of the USSR and Japan and A. Gromyko's letter remains unresolved. The RSFSR has not ratified the commitments stemming from these documents.

b) We do not speak of the unilateral nullification of commitments because we recognize the existence of the problem with regard to Khabomai and Shikotan.

4. I regard as politically unacceptable any pressure aimed at the accelerated solution of a complex territorial question in the present exceptionally explosive situation. The traumatized national consciousness may not accept another encroachment on Russia's territory and national pride, which could lead to serious consequences:

a) to the growth of extreme right-wing chauvinist sentiments;

b) to an intensification of the separatism of the Far Eastern region of the RSFSR, which is seeing no protection from the Russian authorities;

c) to the emergence of territorial claims from other states, encouraged by the precedent of a concession by Russia.

5. I am convinced that the basis for the solution of this question in the very near future should be **a new Constitution of the Russian Federation** proceeding from the harmonious linkage of universally recognized norms of international law and the nationwide state interests of Russia as it is being reborn,

6. **I regard as essential** the following measures:

1) Officials must proceed in talks on the territorial question from:

a. the provisions of the RSFSR Constitution and the Declaration on the RSFSR's State Sovereignty;

B. the idea of a "five-stage gradual settlement" proposed by B.N. Yeltsin.

2) The holding of **urgent parliamentary readings** on this question—and not after but **during T. Nakayama's visit**—with the participation of RSFSR leaders, staffers of the RSFSR Foreign Ministry, leaders of political parties, the leaders of Sakhalin Oblast, and representatives of RSFSR citizens living n these territories.

3) The priority development of a special economic zone in the region of Sakhalin and the Kurils under the sovereignty of the RSFSR. It is time that we ourselves embarked in earnest on the development of a very wealthy region forgotten and neglected by the previous criminal system.

4) I support the efforts of the leadership and inhabitants of the RSFSR's Sakhalin Oblast in their **lawful efforts** to form the RSFSR's official stance at the talks with Japan.

Moldova

Further on New Supreme Economic Council

OW2810133791 Moscow INTERFAX in English 1200 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] By decree of Moldovan President Mircea Snegur, a supreme economic council led by Moldovan Premier Valeriy Muravskiy has been set up in Moldova. Besides well-known Moldovan economists, it involves the Romanian economist Dr. Paul Bran, who is also head of the newly founded Moldovan Academy of Economic Research, and Dr. Paul Weichtman, Professor of Britain's Newcastle University.

Concurrently, a state committee for economic reform has been set up to speed up the reforms and coordinate the efforts of ministries, state departments and local governments. It will be in charge of the State Department for Agrarian Reform and of the Ministry of the National Economy's Department for Economic Reform.

The committee will be chaired by Moldovan MP [member of parliament] Georgiy Efros.

Snegur Opposes Unification With Romania

LD2610154191 Moscow TASS International Service in Russian 2204 GMT 24 Oct 91

[By MOLDOVA-PRES correspondent Anatoliy Golya and TASS correspondent Aleksandr Tanas]

[Text] Kishinev, 24 Oct (TASS)—Mircea Snegur, president of Moldova, speaking at a meeting with residents of Beltsy today, said that the leadership of the republic condemns the position of the Moldova's People's Front leaders, who are in favor of unification with Romania.

Mircea Snegur stressed: The position of the Moldovan leadership is to obtain complete independence. Moldova favors economic and cultural integration with Romania and the other republics. As for unification, Romania has already recognized Moldovan independence and there can be no talk of merging the two states, the president said. This is the position of an absolute majority of the population.

Popular Front Advocates Union With Romania

AU2510182791 Bucharest ROMPRES in English 1657 GMT 25 Oct 91

[Text] Bucharest, ROMPRES, 25/10/1991—The movement aimed at making the country whole again, at liquidating the aftermath of the Ribbentrop-Molotov Pact is an extremely difficult issue, maybe the most difficult to solve in the near future, because of very strong inertia, of a "Romanianphobia" nurtured over the 51 years of occupation, said Valeriy Matei, spokesman for Moldova's Popular Front, in an interview with the daily "JURNAL INTERNATIONAL".

But optimistic, Mr. Matei considered that "the future will bring the liquidation of the consequences of the Ribbentrop-Molotov Pact. I do not want to speak of the union (of Moldova with Romania)", added Mr. Matei, "as it is not possible to speak of the union of a country with a territory (belonging to it), that was only evacuated in 1940. Romania had to evacuate this territory.... The problem is to eliminate the consequences of an odious pact that was effected by an ultimatum and was imposed by force."

As for (the issues in) Transdniestria, they are rooted in the 70-year efforts of the Soviet Union to create a so-called historical community , the "Sovietization" of part of the population and the appearance of "homo Sovieticus", the dominant nation in the Soviet empire." Mr. Matei rejected the thesis circulated in Western Europe, of a national minority in Transdniestria. "There is no national minority there", he says," but a small part of the Soviet people".

As for solutions to these problems, Valeriy Matei considers they can only be found "in the context of all the problems existing today in the territories occupied and annexed on July 28, 1940. To solve the problems in Transdniestria as particular problems would signify, in his opinion, to debase and trample once again on the dignity of the whole Romanian nation".

Mr. Matei said, once again, that the Popular Front of Moldova, which he represents at present "is against presidential elections, which it considered, as early as may 1991, totally futile.... He added that "it is a great error to make of the declaration of independence (of the Republic of Moldova) a reason and a basis for creating an independent republic, and I think, if we do so, we must put our signatures beyond those of Ribbentrop and Molotov. In spite of the economic and social difficulties, there is only one future for us, and I only can see it in terms of a whole Romania", concluded Valeriy Matei.

Republic Decides To Control Customs Posts

OW2810235791 Moscow INTERFAX in English 1700 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Moldovan Government has decided make all customs posts on the Moldovan republic's territory subordinate to the State Department on Customs Control.

Until this law was adopted in Moldova, all kinds of customs revenues were taken according to the laws of the Soviet Union, but only so long as they did not undermine the republic's interests.

All customs revenues, coming from the confiscation of goods and from goods remaining beyond their expiration

dates, as well as receipts from taxes on exports and imports will go into the Moldovan Republic's budget.

Official Fails To Solve Dnestr Banking Dispute

LD2610075591 Moscow TASS International Service in Russian 1531 GMT 25 Oct 91

[By MOLDOVA-PRES correspondents Anatoliy Golya and Aleksandr Tanas]

[Text] Kishinev, 25 Oct (TASS)—Moldovan Prime Minister Valeriy Muravskiy's trip to Tiraspol ended without yielding any results. He did not manage to resolve the financial problems which have arisen between the National Bank of Moldova and the banking institutions of the Dnestr Republic. As a result of their three-hour dialogue, Dnestr Republic bankers realize that the Moldovan leadership sees the registration of Dnestr Republic banking institutions as part of the National Bank of Moldova as being the way to settle the conflict which has arisen. They also insist that Moldova permit them to carry out their financial operations without this registration. Now that the Dnestr Republic's commercial banks have opened up agency accounts outside the republic, these banks are not making contributions to the republican budget. Both sides parted empty handed. However, in an interview for national radio, both Prime Minister Valeriy Muravskiy and Igor Smirnov, chairman of the Council of the Dnestr Republic (which was declared illegal by the Moldovan parliament) appeared optimistic. They emphasized that a starting point for dialogue has been established and this means that a solution to the problem will be found. Along with this, it was emphasized that the financial disagreement belongs under the category of economic problems, and these need to be resolved regardless of political differences. Proof that this would be beneficial can be found in the fact that several major enterprises in Tiraspol are on the verge of grinding to a halt because of their inability to carry out financial operations.

Cabinet To Study Consumer Per Capita Budgets

OW2810222791 Moscow INTERFAX in English 1950 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] In the near future, the Moldovan Cabinet of Ministers plans to investigate the per capita budget of its citizens. An "INTERFAX" correspondent reports that since retail prices for goods on the consumer market have risen by more than 300% in the past year, the Moldovan Government must reevaluate the possibility of increasing the minimum consumer budget to 350 rubles (almost double the present level).

Because the government treasury does not have the funds to pay the full amount, the Cabinet decided to raise the consumer price index only by the very lowest acceptable factor, to 210 rubles. The index will rise over time as the economic situation in the republic stabilizes.

Bank Halts Issue of Money to Russian Republic

OW2810223091 Moscow INTERFAX in English 1950 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Moldovan Savings Bank has ordered all of its branches to stop issuing money to the Russian Republic, and not to accept deposits for checking accounts, checking booklets and certificate booklets made out to the Russian Republic after October 1st 1991.

The document, signed by the chairman of the Moldovan Savings Bank, K. Bulgak, explains that all Russian savings banks have also "temporarily stopped" servicing deposits for checking accounts and certificate and check booklets, issued in Moldova since October 1st "in conjunction with the extreme money circulation problem" in the Russian republic.

Ukraine

Crimean Supreme Soviet Concludes Debates

Referendum Law Passed

OW2510144091 Moscow INTERFAX in English 1115 GMT 25 Oct 91

[Transmitted via KYODO]

[Text] On Thursday [24 October], the Supreme Soviet of the Crimean Autonomous Republic passed on the first reading a referendum law stipulating that the most important issues concerning the Crimean people's life will be discussed by republic-wide referendums.

The parliamentary session's agenda does not include the holding of a referendum on the Crimea's status or secession from the Ukraine.

In protest against this, parliamentarian Yuriy Meshkov, leader of the "Crimean Republican Movement," has launched a hunger strike. Together with eight Afghan war veterans representing the association BAGHRAM, he camped out in front of the parliament building in Simferopol.

Enterprise Decision Adopted

LD2710140191 Moscow All-Union Radio Mayak Network in Russian 0230 GMT 26 Oct 91

[Text] The three-day debates at the Crimean Supreme Soviet session ended with the adoption of a number of decisions. The most important of these is a decision on the transfer to the republic's ownership—temporarily until the delimitation of powers between it and the Ukraine—of enterprises, organizations, and establishments of Union subordination.

The date was also announced for holding a session at which the draft constitution of the Crimean Republic will be presented for discussion. The session will open on 18 December.

Official on Monetary Policy, Foreign Ties

OW2810174791 Moscow INTERFAX in English 1616 GMT 28 Oct 91

[From the "Diplomatic Panorama" (DP) feature; transmitted via KYODO]

[Text] The Ukraine is considering the possibility of joining the Union-republican monetary fund. The final decision will determine whether or not Kiev will insist on singling out its share from the common due of the USSR, the Ukraine and Belorussia to the UN regular budget, a Ukrainian Foreign Ministry official told DP. In his opinion, the practice of the previous years was "quite reasonable". For instance, in 1991, the size of the dues paid jointly by Moscow, Kiev and Minsk stood at 106.6 billion dollars. The Ukrainian diplomat expressed the opinion that by January 1, 1992, it would be absolutely clear whether or not the current status quo would remain unchanged.

Asked if Kiev intended to establish diplomatic relations with foreign countries, the Ukrainian diplomat said that this question needed to be coordinated by at least two sides. "Of course, the Ukraine may have its own plans and ideas on the score," he said. "But what matters still more is who of its partners is ready to establish diplomatic relations with it."

And yet, the Ukraine has already made specific steps in this direction. For instance, Kiev has passed its proposals on establishing diplomatic relations to more than 20 countries. These countries could be divided into three groups, said the Ukrainian diplomat. First come the countries bordering on the Ukraine. Then come the European countries with which the Ukraine maintains stable historical contacts, and, finally, come the states with a considerable Ukrainian community. Besides that, the Ukraine shows great interest in the new industrialized countries of Asia.

The Ukraine has already established consular relations with Poland, Hungary and Austria, said the Ukrainian Foreign Ministry official. There is an agreement in principle on establishing such relations with Germany and Turkey. "We work with other countries, as well," he said.

Commenting on the statement by Israeli ambassador to the USSR, Mr. Arye Levin, to the effect that Israel intended to open its consulate in Kiev, he said that there would be no objections on the part of the Ukraine. "We are interested in this, taking into account the fact that many of the former Soviet citizens who have emigrated to Israel come from the Ukraine," he said. The Ukrainian diplomat also noted that Kiev had already sent the Israeli Government a proposal on establishing consular relations.

He gave to understand that the Ukraine may establish comprehensive diplomatic relations with "a number of countries" very soon. He did not name the countries in question, however.

Speaking about the Ukraine's near future, he said that the foreign ministers of the Ukraine and Poland had signed a declaration on November 8 which said that Warsaw and Kiev were ready to establish diplomatic relations very soon. The two sides also agreed that pending this, the two sides would exchange special envoys at the governmental level. A few days ago, Polish envoy Jiri Kazakevic began to perform his duties in Kiev. The Ukrainian Government's envoy, Teodozi Starak, is to leave for Warsaw soon.

Further on Decision on USSR Supreme Soviet

PM2910110791 Moscow KOMSOMOLSKAYA PRAVDA in Russian 26 Oct 91 p 1

[Correspondent O. Musafirova report: "Deputies in No Hurry To Go to Moscow"]

[Text] It looks as if you can place memorial plaques on those seats in the Union parliament of the "transitional period" where only recently the Ukrainian representatives sat and worked. The republic's Supreme Soviet, having held everybody in suspense for a week, has determined its position in respect of participating in interrepublic structures.

"In the coming years a two-tiered system will exist in place of the Union," Vladimir Grinev, deputy chairman of the Ukrainian Supreme Soviet, predicted from the platform while giving his report at the session. "This will be an economic community which all the former republics will join in some guise or another, a narrow political community of a confederate or even weaker type. Although it is not ruled out that a section of the republics will wish to form a federation within the framework of this political union. Here we can formulate the main restriction: The Ukraine should not participate in political associations which lead to the formation of a new state.

This restriction, later channeled into a Supreme Soviet resolution, expressed the document's essence. The Ukraine is from now on not participating in the Union legislative organ's activities, in order not to contradict the logic on the development of the situation in the republic, the declaration "on state sovereignty," and the act of independence. At the same time the Supreme Soviet Presidium has been entrusted with forming a group from among Ukrainian people's deputies and sending it to the Soviet of the Republics of the USSR Supreme Soviet as observers. It has also been proposed

that the Union group of people's deputies from the Ukraine adopt a similar status.

New Foreign Trade Policy Approved

OW2510182091 Moscow INTERFAX in English 1500 GMT 25 Oct 91

[Transmitted via KYODO]

[Text] On Friday [25 October], the Ukrainian parliament approved a government program changing the republic's foreign trade policy so as to ensure full foreign economic independence from Moscow and encourage the development of Ukrainian exports.

The program envisages, among other things, that all export contracts concluded by Ukrainian enterprises with union foreign trade agencies outside the Ukraine will be declared void. Export/import operations will be conducted only by Ukrainian-based intermediary organizations registered with the republic's Ministry of Foreign Economic Relations.

A number of economic zones specialising in trade and production will be established in the Ukraine.

Socialist Party Registered, Program Adopted

LD2710165791 Kiev Radio Kiev in English 0100 GMT 27 Oct 91

[Text] A constituent congress took place in Kiev which registered the organization of a new political party in the Ukraine—the Socialist Party of Ukraine. The right to form this party was endorsed by 286 of the 321 delegates who were elected in all regions of the republic. They adopted a party program. The basis of the Socialist Party is adherence to the ideas and practical development of the Ukrainian independent state. Proposed are concrete measures for the participation of this party organization in the political, social, economic and cultural life of the republic. Oleksandr Moroz, head of the former faction of the Communist Party majority in parliament, was elected the leader of the party. At present Oleksandr Moroz is one of the contenders for the post of president of Ukraine.

Democratic Movement in Donbass Splits

LD2610124791 Kiev Radio Kiev Network in Ukrainian 0600 GMT 23 Oct 91

[Excerpt] The founding conference of the Democratic Movement of Donbass has taken place in Lugansk. Communists, the Cadets [Constitutional Democrats], and nonparty people from the People's Movement of Lugansk Oblast were its initiators. Our correspondent Oleksandr Koshak details:

[Koshak] Borys Lokotosh delivered a report on behalf of the organizational committee of the Democratic Movement of Donbass. He justified the necessity of creating the movement for struggle for preservation of the Union and protection against the forced imposition of the Ukrainian language. No unanimity could be observed in the conference hall where representatives of the People's Movement of Lugansk Oblast, the (?People's) Movement of the Ukraine, the Ukrainian Republican Party, the Party of Ukraine's Democratic Revival, Unity, and Revival gathered. Therefore the results of this founding conference are natural. The Democratic Donbass Movement split into two halves. On the one hand the People's Movement of Lugansk Oblast, Unity, and Revival came out in favor of creating Donetsk-Krivoy Rog Kray against independence of Ukraine. On the other hand Rukh, the Ukrainian Republican Party, the Party of Democratic Revival of Ukraine in their program are upholding interests of the independent Ukraine and they came out against any autonomies. [passage omitted]

Fact-Finding Delegation Sent to Switzerland

OW2810230591 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] A Ukrainian delegation led by the State Minister for Security Issues and Emergency Situations Yevgeniy Marchuk left on Sunday [27 October] for Switzerland to clarify the fate of 72 Ukrainian soldiers taken prisoner during the war in Afghanistan.

Republic To Import Potatoes From Poland

OW2810095091 Moscow INTERFAX in English 1636 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The Ukrainian Government struck a barter deal with Poland's Helms agro-trading chamber for imports of 30.000 tonnes of potatoes in exchange for building materials, fertilisers, and coal.

By mid-October, the Ukraine's potato crop ran at 3.1 mln tonnes against 4.43 mln tonnes in the same period last year.

Armenia

Inter-Parliamentary Union Membership Sought

NC2810212191 Yerevan Radio Yerevan Network in Armenian 1600 GMT 28 Oct 91

[Text] The Armenian Supreme Soviet Presidium met under Babken Araktsyan, first deputy chairman of the Supreme Soviet.

The Presidium examined Armenian Supreme Soviet participation in the Inter-Parliamentary Union, deeming Inter-Republican Union membership appropriate, and agreeing to determine membership conditions.

The Presidium also examined regulations covering deputies' official trips and itineraries, deciding to reformulate the bill for Presidium confirmation.

Social and political matters were also discussed.

Curfew Violator Killed; Freight Cars Arrive

NC2910045791 Yerevan ARMENPRES International Service in Armenian 1215 GMT 28 Oct 91

[Text] Soldiers killed 31-year old Stepan Ovsepyan in Stepanakert at around 2400 local time on 24 October. Official sources stated that he had violated the curfew and his car was fired at when he did not obey orders. The military commandant of Nagorno-Karabakh tried to convince the public that the soldiers are not to be blamed.

KHORHRDAYIN KARABAKH reported on 24 October that more than 50 freight cars carrying mostly foodstuffs arrived at Stepanakert's station. Some 11 tank-cars of diesel fuel were also received. The paper noted that lately freight cars are arriving with reduced amounts of goods from the senders.

Currency Shortage Noted, Wages Delayed

PM2410145591 Moscow PRAVDA in Russian 23 Oct 91 p 2

[Correspondent A. Khanbabyan report: "Happiness Does Not Mean Having Money...."]

[Text] Yerevan—"...So what does happiness mean?" many inhabitants of Armenia are asking today. The fact is that there is practically no money in the republic.

Consequently payment of salaries, pensions, and benefits has been delayed for weeks, and it is very difficult to draw money from a savings account or get a postal transfer. The reason for this is simple—for some months now state trading stores have not been fulfilling their till receipts plan. This has failed because there is an acute shortage of goods.

"We should bring in our own currency," some propose. "We would begin to live far better."

This opinion is quite widespread today. But even one's own paper money will not save the situation on its own. In conditions of complete scarcity it will rapidly turn into worthless multicolored bits of paper backed by no real values.

Azerbaijan

'Intensive Shooting' Reported in NKAO

LD2810201291 Moscow TASS in English 1909 GMT 28 Oct 91

[By TASS correspondent Vadim Byrkin]

[Text] Stepanakert October 28 TASS—At least nine people were wounded today in Nagorno-Karabakh [NKAO], mostly on roads, the commandant's office announced today.

An investigation revealed that people were shot during daytime, while before crimes were committed at nighttime. At 18:00 Moscow time when the TASS correspondent transmitted materials, there was intensive shooting between Azerbaijani Khodzhavend and Armenian Martuni with the use of automatic weapons, grenade launchers and rockets. According to provisional data, there are killed and wounded.

The commandant's office takes measures to curb further illegal actions.

New Commandant Appointed in Nagorno Karabakh

NC2810205991 Yerevan Radio Yerevan Network in Armenian 1600 GMT 28 Oct 91

[Text] Major General Nikolay Vladimirovich Zhinkin has been appointed military commandant of the state of emergency area encompassing Nagorno-Karabakh and adjacent areas of Azerbaijan. He replaces Major General Boris Pavlovich Maksin, whom the people of Karabakh named the "Russian General" for his nobility and principled stance.

Aliyev Blames Gorbachev for Armenia Conflict

OW2810224391 Moscow INTERFAX in English 1950 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The former leader of Azerbaijan Communist Party, Geydar Aliyev, now chairman of the Supreme Parliament (Medzhilis) of the Nakhichevansky autonomous republic, blamed Soviet President Gorbachev for having been personally responsible for the uprising of the Armenian-Azerbaijani conflict. In an interview with the Petersburg newspaper "RUSH HOUR," Aliyev stated that he had documents in his possession which prove that "Gorbachev sanctioned military operations in the region, and the deportation of Azeris from Armenia and other actions as well." Aliyev promised to talk further about such actions in the near future.

In his words, the President of Azerbaijan, Ayaz Mutalibov, was chosen president in "falsified elections."

Aliyev also accused Mutalibov of supporting the coup leaders. Now he is "an accessary to a crime and should be held responsible, as a member of the party Politburo, privy to the coup."

On the topic of the series of suicides by high-level party functionaries, Aliyev emphasized that "whoever discovers the secret of their deaths will find the stash of gold held by Communist Party of the Soviet Union."

Geydar Aliyev stated that he intended to secure from the Soviet Supreme Soviet the cancellation of a certain decree by the Presidium of the Supreme Soviet. The decree called for the production of a bust for every person who had received the honor of Hero of Socialist Work twice. Aliyev is also demanding that his own bust, which stands in Nakhichevan, be taken down.

Further on Resumption of Train Travel

OW2510230791 Moscow INTERFAX in English 1945 GMT 25 Oct 91

[Transmitted via KYODO]

[Text] On Friday [25 October] train travel was resumed between Nakhichevan through Armenia and to Azerbaijan. Our correspondent for the region says that some freight trains have already passed.

In Idzhevan discussions were concluded on this topic today between delegations from Armenia and Azerbaijan with help from Kazakhstan and Russia as middlemen.

Georgia

Troubled Situation Reported in South Ossetia

State of Emergency Extended

LD2810235491 Moscow Russian Television Network in Russian 2100 GMT 28 Oct 91

[From the "Vesti" newscast]

[Text] A decree by the Georgian president today extends the state of emergency on the territory of Tskhinvali and Dzhavskiy Rayon, reports RIA. At the same time, in the last two days there has been something of a decline in the intensity of the missile and artillery bombardment of Tskhinvali from the Georgian villages. This is being linked to the arrival in the town of additional subunits and equipment of the USSR Ministry of Internal Affairs. However, the violence continues to escalate as before in rural areas of South Ossetia. Nor has the economic blocade of the oblast been halted.

Situation Called 'Alarming'

LD2810153491 Moscow TASS International Service in Russian 1335 GMT 28 Oct 91

[By TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 28 Oct (TASS)—Alarming reports are coming in from South Ossetia. Shots rang out again last night in Tskhinvali and Znaurskiy Rayon. Guerrillas aimed their large-caliber machine-guns and antihailstone guns on the southern and northern outskirts of the oblast's center. Residential blocks and some facilities of the town economy were severely damaged. According to preliminary data, seven people received gunshot wounds. Ossetian armed units also carried out retaliatory fire to suppress the guerrillas' fire points.

According to information from the South Ossetian Information Committee's press center, the sociopolitical situation in Znaurskiy Rayon has reached the crisis point. The massed strikes by artillery and missile weapons have practically destroyed the rayon center and there are many casualties. Children, women, and the elderly have left the settlement. Only a few dozen Ossetians from a self-defense detachment have remained here.

Meanwhile, armed groups of Georgian guerrillas continue to arrive from the direction of the Gori highway to the approaches to Tskhinvali. They have blocked all the bypasses, including the main Dzhava-Tskhinvali highway, along which humanitarian aid reaches the oblast center, under seige, from Vladikavkaz. It is only possible to reroute the columns of vehicles with the help of subunits of the USSR Interior Ministry's troops and armor. However, the situation in Tskhinvali regarding foodstuffs and medicines is catastrophic.

There are now over 85,000 refugees in Vladikavkaz and the republic's rayons. According to a prediction by the North Ossetian Ministry of Internal Affairs, this figure may increase to 100,000 people in the near future.

Bombing of Populated Areas Halted

LD2910120191 Moscow TASS International Service in Russian 1105 GMT 29 Oct 91

[By TASS correspondent Valeriy Shanayev]

[Text] Vladikavkaz, 29 Oct (TASS)—Additional subunits of the USSR Ministry of Internal Affairs Internal Troops, which have been sent to the territory of South Ossetia, have managed to halt the artillery and missile bombardment of populated areas. Reinforced patrols of armored vehicles have ensured the movement of motor vehicles with humanitarian aid into Tskhinvali, reports the press center of the information committee of South Ossetia.

Last night in most of the regions of the oblast the situation passed relatively calmly. Nevertheless, sporadic exchanges of fire rang out in the vicinity of Tskhinvali and on the

outskirts of the rayon center, Znauri. An Ossetian and two doctors of the ambulance service were killed and six people received gunshot wounds.

A decree by the Georgian president extends from today for another month the state of emergency in Tskhinvali and on the territory of the Dzhavskiy Rayon of South Ossetia. The population of the oblast is demanding the immediate introduction of the state of emergency throughout the territory.

Skirmish Results in Hostage-Taking

OW2810173991 Moscow INTERFAX in English 1440 GMT 29 Oct 91

[Transmitted via KYODO]

[Text] According to the Georgian Interior Ministry, fire was exchanged and hostages were taken near the South Ossetian capital Tskhinvali last night. After Georgian militants captured 12 Ossetians near the village on Dmenisi on Sunday, two Georgians were taken hostage in retribution. Efforts are being taken to have the hostages released.

Leader Urges Incorporation in Russia

LD2610161591 Moscow Central Television First Program Network in Russian 1000 GMT 25 Oct 91

[From the "Television News Service" program]

[Text] Znaur Gasiyev, chairman of the South Ossetian Oblast Executive Committee, has said that South Ossetia's desire to stay within the USSR is the main cause of the conflict in the region. Georgia is preventing this in every possible way. He addressed the Russian parliament with a request to include the South Ossetian republic in the Russian Federation, something which, in his view, will automatically result in unification with North Ossetia.

Rallies Mark Georgian Election Anniversary

LD2910094991 Moscow TASS International Service in Russian 1946 GMT 28 Oct 91

[By TASS correspondent Albert Kochetkov]

[Text] Tbilisi, 28 Oct (TASS)—"This was a significant event not only for Georgia, but also for all of the former Soviet Union," stated Georgia's President Zviad Gamsakhurdia. He spoke here today at a news conference on the occasion of the anniversary of elections to Georgia's Supreme Soviet. The president attributed the adoption of a number of laws guaranteeing basic rights and freedoms to citizens, the giving of state status to the Georgian language, and the curtailment of call-up for young men into the Soviet Army, to parliament's achievements for that year.

On the same day a meeting of working people took place near the republican government house, devoted to the anniversary of elections in Georgia, at which Zviad Gamsakhurdia spoke.

Opposition forces held an alternative meeting today in Tbilisi. Speakers accused Georgia's leadership of imposing totalitarianism, of fighting against dissenters and of ruining the economy.

Opposition Groups Unite, Expound Aims

AU2910134991 Tbilisi SVOBODNAYA GRUZIYA in Russian 18 Oct 91 p 1

[Article by Tamaz Lomsadze: "The Opposition is Uniting"]

[Text] The first step has been taken by five liberal-oriented political organizations. The other day they founded the "Democratic Movement of Georgia." Among the movement's founders are the Republican Party of Georgia, the Union of Free Democrats, DASI (Democratic Choice for Georgia), the Greens' Party, and the Popular Front of Georgia. The inaugural congress ended with the adoption of the rules and the formation of the Main Council, the leading organ of the new political bloc.

According to the declaration of the "Democratic Movement of Georgia," its aims are as follows: an independent and democratic Georgia, the restoration of a parliamentary republic, the protection of human rights, the free exchange and dissemination of information, the creation of democratic, political, and state institutions, the establishment of the priority of a market economy and private enterprise.

The main task at the present stage in the country's political life is the formation of democratic state structures in Georgia on the basis of new parliamentary elections. The main principles set forth by the movement are as follows: the priority of human and civil rights compared with all other values and the use of only peaceful forms of political struggle.

The movement is ready to grant to any organization the right to become a member. A more detailed report on the "Democratic Movement of Georgia" will be published in one of the forthcoming editions of SVOBODNAYA GRUZIYA.

Export Regulations, Restrictions Detailed

AU2910113691 Tbilisi SVOBODNAYA GRUZIYA in Russian 16 October 91 p 1

[SAKINFORM report: "In the Republic of Georgia Cabinet of Ministers. On the Introduction of Changes Into Resolution No. 728 'On Temporary Measures Aimed at Regulating the Export of Certain Types of Raw Materials, Foodstuffs, and Manufactured Goods' that was adopted on 18 September 1991"]

[Text] The Cabinet of Ministers of the Republic of Georgia has introduced changes into paragraph 7 of item 5 of the Cabinet of Ministers of the Republic of Georgia Resolution No. 728 "On Temporary Measures Aimed at Regulating the Export of Certain Types of Raw Materials, Foodstuffs, and Manufactured Goods" that was adopted on 18 September 1991 and has formulated it in the following way:

"—The Council of Ministers of the Abkhazian Autonomous Soviet Socialist Republic [ASSR] and the Government of the Adzharian Autonomous Republic—for surplus products manufactured on the territory under their jurisdiction;

"—The prefectures of towns and rayons (with the exception of the Abkhazian ASSR and the Adzharian Autonomous Republic)—for surplus products manufactured on the territory under their jurisdiction (the license is valid upon the presentation of the certificate issued by the corresponding ministry to testify that the state order has been fulfilled)."

Supplement No. 1 to Resolution No. 728 of the Cabinet of Ministers of the Republic of Georgia that gives "The list of certain types of raw materials, foodstuffs, and manufactured goods whose export from the Republic of Georgia has been temporarily authorized only if licenses are available" issued on 18 September 1991 is considered as no longer valid and has been replaced by the following list of certain types of raw materials, foodstuffs, and manufactured goods whose export from the Republic of Georgia is temporarily authorized only if licenses are available:

alcoholic beverages, fruit juices, stewed fruit, tea, mineral water, raw tobacco, tobacco articles, citrus fruits, apples, concentrated fruit preserves, liqueurs (alcoholic or others), baby food, vegetables, products of apiculture (honey, bee venom, and others), bamboo whips, aromatic products, medicinal plants, medicines, ceramic wares, household kitchen utensils, sanitary appliances, decorative ceramic tiles, ceramic floor tiles, linoleum, slabs made of basalt, marble, granite, tuff, the Eklar stone and coquina, soft roof materials (ruberoid and pergamyn), plastic tubes, quality table ware, metal ware, diatomite, technical agate, technical articles made of polyester concrete, manganese ore, copper, quartzites, arsenic, zinc, lead, granite, basalt, and so on, rock coal, mineral fertilizers, column cranes, furniture, china, earthenware, majolica, yarn and fibers, toys, television sets, pianos, household chemical products, bed and table linen, stationery, agricultural appliances, minor mechanization means, reinforced concrete structures, various metal articles (nails, sheet steel, steel roofs), and asbestos slate.

Relations With Ukraine Discussed

AU2610160091 Tbilisi SVOBODNAYA GRUZIYA in Russian 16 October 91 p 4

[Interview with Bohdan Ternopilskyy, chairman of the Political Council of Rukh, Ukrainian People's Movement for Perestroyka, by Amvrosiy Grishikashvili: "There Must Be Mutual Support;" place and date not given]

[Text] **The Ukraine today is one of those republics upon which it is largely dependent whether the Soviet Union will or will not continue to exist in one form or another. The political climate in the Ukraine is largely created by the sociopolitical movement Rukh. For that reason, it seems to us that the readers of SVOBODNAYA GRUZIYA may find it interesting to read an interview with Bohdan Ternopilskyy, chairman of the Political Council of Rukh.**

[Grishikashvili] The Georgian public takes a keen interest in the position of the Ukraine and especially of your organization regarding the Union treaty and common economic space....

[Ternopilskyy] Both Rukh and the Ukraine as a whole declared unequivocally their absolutely negative attitude toward the Union treaty—in its political and economic aspects alike. We are also against the common economic space because it rules out national borders and national currencies: In other words, everything from which the Ukraine has been suffering for 200 years remains in force. We could only participate in the work of the coordinating council on the condition that it will pursue an interstate rather than superstate policy.

[Grishikashvili] Is the privatization of property, in particular, of land, under way in the Ukraine?

[Ternopilskyy] The processes of privatization in the Ukraine are proceeding extremely slowly. Even though corresponding laws have already been adopted, they are not perfect. For example, the law on the privatization of land still prohibits its purchase and sale. It is natural that privatization will be a slow process unless the land owner starts regarding himself as its absolute master.

[Grishikashvili] Will any territorial dispute arise between the Ukraine and Union republics after your country achieves independence?

[Ternopilskyy] We are proponents of the zero variant and renounce territorial claims. We could have claims upon Russia, Belorussia, and Poland. However, we are not going to do so, because we prefer peaceful coexistence with neighboring countries.

[Grishikashvili] What will be your position if a certain minority living in the Ukraine decides to become autonomous?

[Ternopilskyy] Many representatives of other nationalities reside in the Ukraine. The Russians are especially numerous—about 10 million, or 22 percent of the entire population; there are about half a million Jews and nearly as many Belorussians, 324,000 Moldovans, 238,000 Bulgarians, more than 200,000 Poles, and about 200,000 Crimean Tatars. Among these minorities, the Crimean Tatars alone are indigenous people, and proceeding from this, they will be the only ones to receive autonomy. There exists a Crimean autonomy. In the

Crimea, there now live 200,000 Tatars, 600,000 Ukrainians, and hundreds of thousands of Russians. The Russians refuse to recognize the supreme legislative organ—the Tatar Majlis. However, we will, in the future, recognize both the Majlis and the Crimean autonomy. Not only the autonomy, but also the statehood of the Crimean Tatars. Regarding the other national minorities, they will get the right to exercise national and cultural autonomy.

[Grishikashvili] Do you have the possibility to receive reliable information on Georgia?

[Ternopilskyy] We have no doubt that the Central Television is only broadcasting disinformation on the events in Georgia. Unfortunately, we do not get first-hand information on your republic, as we do in the case of Baltic republics. Nevertheless, we have no doubt that everything that is taking place in Georgia today has been instigated by the Kremlin. With the help of various destructive forces, Moscow has, unfortunately, managed to convince the world community that a totalitarian regime and the dictatorship of Zviad Gamsakhurdia reign in Georgia. In our opinion, he has overlooked the fact that the Kremlin acts in accordance with the same scenario in all republics.

[Grishikashvili] Is the Ukraine going to recognize Georgian independence?

[Ternopilskyy] The Ukraine will recognize Georgian independence after 1 December. This will be a historical day for the Ukraine. Our republic's presidential elections will take place, as will a referendum that will ratify the Declaration of Independence adopted by the Supreme Council of the Ukraine on 24 August.

[Grishikashvili] In Georgia, there exists two points of view on independence and democracy. One of them is an official one, in accordance with which it is first necessary to achieve full independence and then think of a genuine democracy. In accordance with the opposite point of view, it is impossible to become a free country unless there is democracy. What is the attitude toward this issue in the Ukraine?

[Ternopilskyy] It is my strong conviction that such an approach has been artificially imposed by Moscow. Of course, these processes are closely interrelated, but what kind of democracy can one speak about when the country is enslaved and fights for its freedom? The country must first become independent and only then democratic. There cannot be two opinions here. Try to refer to a democratic country as an enslaved one! At the same time, there are as many opposite examples as you like—Saudi Arabia or Albania.... The lack of democracy in Georgia can be felt precisely for the reason that your country is enslaved. It is difficult for me to understand those people who assert that they do not need a free homeland in which there is no democracy. I love my Ukraine, no matter what it is....

[Grishikashvili] As far as I know, Rukh presently opposes the parliament of the republic and is in opposition. Do you find a consolidation of these two political forces possible, and if not, what form will their future interrelations take?

[Ternopilskyy] It is true that Rukh is in the opposition, but notwithstanding this, there are many of our people in the parliament. I think that, as the Communist Party is abolished, their number will increase. The next two or three months will show to what extent a consolidation with procommunist forces is possible. If the Ukrainian parliament fulfills our demands, it will make sense to cooperate with it.... However, I doubt that this will happen, because the people there are mainly conservative in their ideas.

[Grishikashvili] In my opinion, good relationships between the Ukraine and Georgia are unquestionable. This encourages me to ask you the following question: Could the Ukraine, as a member of the UN, raise the question of admitting our republic to the UN?

[Ternopilskyy] After the referendum that will confirm the aspiration of the Ukrainian people to independence, the Ukraine will recognize the sovereignty of the Republic of Georgia and will raise the question of its joining the UN. You can rely on us, we have experienced ourselves what national oppression is all about, and we will always support the striving of other peoples, including the Georgians, to independence.

[Grishikashvili] The fact that today in Georgia there is sugar rationing at one kilogram per person per month (and it is not always possible to get even this) is an indication that our economic relations are not what they might be. Perhaps, you also feel a shortage of products that are only produced in our climatic conditions...?

[Ternopilskyy] That is right, our present economic relations are far from those that must exist between free nations; this also applies to the commodity exchange between us. We badly need your products—the ecologically clean southern vegetables and fruits and other products. It is necessary to improve and strengthen our economic interrelations in the near future.

[Grishikashvili] Do you mind explaining more clearly the position of the Western Ukraine? As is well known, its views are more radical than those of the republic as a whole....

[Ternopilskyy] The Western Ukraine is at least one year ahead of the rest of the republic. This is understandable, because it has experienced less pressure from Moscow. It was the Western Ukraine that helped us rise from our knees. I would like to hope that, after the referendum, the whole of the Ukraine will keep pace with its western part. The dream of the Ukrainian people will come true: Our country will be independent and free. Then we intend to cooperate on an equal footing with all countries, including, of course, Georgia.

Kazakhstan

Nazarbayev Arrives in Britain on Official Visit

LD2810143391 Moscow TASS in English 1420 GMT 28 Oct 91

[Text] London October 28 TASS—President Nursultan Nazarbayev of Kazakhstan arrived in London on an official visit today.

A guard of honor was mustered and the national flags of Great Britain and Kazakhstan were hoisted at the airport where Nazarbayev was welcomed on the tarmac by the earl of Caithness, the minister of state for foreign and Commonwealth affairs, and other officials.

States Goals of Visit

LD2910001691 Moscow TASS in English 2151 GMT 28 Oct 91

[By TASS correspondent Yuriy Sidorov]

[Text] London October 28 TASS—The economic aspect of this trip and the specific attitude of Great Britain to Kazakhstan is more important for me, however, we cannot help holding political discussions, Kazakh President Nursultan Nazarbayev told TASS.

Nazarbayev is on his first visit to Great Britain, at the invitation of the British Government.

The president will meet Prime Minister John Major, Secretary of State for Foreign and Commonwealth Affairs Douglas Hurd and other British officials to discuss the situation in the Soviet Union and relations between various republics.

Asked about prospects for the development of relations between Kazakhstan and Great Britain, Nazarbayev primarily noted the mutual benefit and interest in the establishment of bilateral cooperation.

"We do not plan to seek credits from the British side," he said. "Our major aim is to explain to the British business community the policy of the republican leadership and prospects for its development."

Petroleum and metallurgical industries, space exploration and agriculture, to develop which Kazakhstan would need the rich experience accumulated by British farmers, are the most favourable spheres of cooperation.

Nazarbayev confirmed that, during the visit, he will represent not only Kazakhstan, but the Soviet Union as well. That is why it is planned to discuss economic and humanitarian aid to the Soviet Union, "which is, on the whole, in a very difficult position."

I cannot put up with the disintegration of our state, that is why I do my best to help establish economic cooperation between various republics, the Kazakh president said.

Stresses Single Nuclear Management

LD2810214991 London PRESS ASSOCIATION in English 2028 GMT 28 Oct 91

[By Chris Moncrieff, PRESS ASSOCIATION political editor]

[Text] The president of Kazakhstan pledged in London today that we would not seek independent control over the Soviet republic's nuclear weapons.

"Kazakhstan is among the eight republics that signed the economic treaty," said President Nursultan Nazarbayev. "This treaty declared that there will be one management of the army and this includes nuclear missiles," he told a news conference. "A separated management of nuclear arms, I do not recognize at all," he added.

The president, an ally of the Soviet President Mikhail Gorbachev, is on an official visit to Britain to drum up investment in his Central Asian republic. Through an interpreter he said: "We have to transform our economy to a market economy as fast as possible."

Mrs. Thatcher recently broke a journey to Japan to call on Mr. Nazarbayev. And during his visit here, he is meeting bankers, businessmen, and ministers. He has made no secret of his determination to secure inward investment world-wide. Mr. Nazarbayev said: "As regards foreign investment we have tried to act as partners on equal terms and have persistently sought the optimum way of doing business, to the maximum gain of the republic." He stressed that his country was rich in minerals, and was one of the main producers of gold in the Soviet Union.

Nazarbayev Appoints New Officials

LD2810223991 Alma-Ata Kazakh Radio Network in Kazakh 1600 GMT 25 Oct 91

[Text] By decree of the Kazakh president, Sagadat Kodzhakhmet-ogly Nurmagambetov has been appointed chairman of the Kazakh Soviet Socialist Republic [SSR] State Defense Committee.

By decree of the president of the Kazakh SSR, Kalyk Abdullayev has been retained as deputy prime minister of the Kazakh SSR and he has been released from his duties as chairman of the State Economic Committee.

By decree of the president of the Kazakh SSR, Tileukhan Samarkhan-ogly Kabdirakhmanov has been appointed chairman of the Kazakh SSR State Economic Committee and released from his duties as first deputy chairman of the State Economic Committee and minister of the Kazakh SSR.

By decree of the president of the Kazakh SSR, Bolat Abdurakhman-ogly Baykenov has been appointed chairman of the Kazakh SSR State Security Committee, and made a member of the Kazakh SSR Cabinet of Ministers.

By decree of the president of the Kazakh SSR, Vdovin has been released from his duties as chairman of the republican State Security Committee in connection with his transfer to another job.

Anti-Nazarbayev Demonstration Held in Alma-Ata

LD2610140591 Moscow Russian Television Network in Russian 1800 GMT 24 Oct 91

[Text] Young people staged a demonstration outside the Kazakh parliament in Alma-Ata today. The demonstrators ostentatiously ripped up copies of "Neither Left Nor Right," a book written by republican President Nazarbayev. They claim that Nazarbayev played an active part in the crushing of youth demonstrations in 1986. The book, on the other hand, claims that Nazarbayev actually headed one of the columns of demonstrators.

Tajikistan

Islamic Movement Party Holds Congress

LD2710115791 Dushanbe Radio Dushanbe Network in Tajik 1100 GMT 26 Oct 91

[Excerpt] As we have reported, the constituent congress of the Islamic Movement Party of Tajikistan began today in Dushanbe at the House of Political Education. The congress was attended by guests from towns and rayons of the republic, Moscow city, Uzbekistan, and other fraternal republics, as well as representatives of the mass media. The following issues were included in the agenda:

1) The activities of the Tajikistan branch of the Islamic Movement Party of Tajikistan.
2) The charter and program of the Islamic Movement Party of Tajikistan.
3) Elections of the party leadership, election of president and deputies.
4) Election of a supervisory and auditing commission.

The congress was opened with a speech by Davlat Usmon, chairman of the preparatory commission. Qari Zarifoddin recited a few verses from the Holy Koran. Delegates to the congress were (?welcomed) by Maksum Ikramov, chairman of the city executive committee. Sharif Hekmat, president of the Islamic Movement Party of Tajikistan, presented a report on the activities of the Tajikistan branch of the Islamic Movement Party. Muhammad Rasul, chairman of the Islamic Movement Party of Kurgan-Tyube Oblast; Haydar Jamal, representative of the Islamic Movement Party of Moscow city; Rajab Gul, a member of the party; and others spoke on the report.

The congress adopted a resolution changing the Tajikistan branch of the Islamic Movement Party to the Islamic Movement Party of Tajikistan. During the morning session, delegates discussed the party's draft charter and program. [passage omitted]

Turmenistan

Citizens Vote in Independence Referendum

Result Called 'Foregone Conclusion'

OW2610211191 Moscow INTERFAX in English 1335 GMT 26 Oct 91

["Independence Referendum in Turkmenia"—INTERFAX headline; transmitted via KYODO]

[Text] By Saturday [26 October] afternoon, around 70% of the republic's citizens eligible to vote had gone to the polls to cast their votes in favour or against republican independence, said to IF [INTERFAX] the chief expert of the republican Central Electoral Commission Amandurdy Niyazberdyev.

The final results will be published at the extraordinary session of the republican Supreme Soviet that is opening Sunday. According to observers, the result is a foregone conclusion, and on October 27, the Turkmen parliament will proclaim the independence of that Central Asian republic.

Resolution Adopted

LD2810153291 Dushanbe Radio Dushanbe Network in Tajik 1100 GMT 28 Oct 91

[Text] On 27 October, 1991, a session of the Supreme Soviet of the Republic of Turkmenistan adopted a resolution on independence and the basis of the law on the formation of the state structure of Turkmenistan and the state symbols of the state of Turkmenistan. Henceforth, 27 October will be celebrated every year as Turkmenistan's Day of Independence.

President Confirms Results

OW2810165891 Moscow INTERFAX in English 1440 GMT 29 Oct 91

[Transmitted via KYODO]

[Text] President Saparmurad Niyazov of Turkmenistan has said his republic will no longer tolerate infringement of its interests, and will independently determine its home, foreign and economic policies. He was speaking in parliament on Sunday [27 October] and stressed Turkmenistan's readiness to conclude economic and political agreements with the other ex-Soviet republics.

The session of the Turkmenian parliament confirmed the results of the October 26 referendum in which 94.1% of the participants had voted for the republic's full independence.

MPs [members of parliament] unanimously passed a constitutional law proclaiming the republican laws' precedence over union legislation.

They proclaimed Turkmenistan's territory as a nuclear-free zone.

Official Denies Applying for OIC Membership

OW2810230391 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] So far, Turkmenistan has not applied for membership in the Organization of Islamic Conference [OIC], said Turkmenistan's Foreign Minister, Avdy Kuliyev, speaking about the Cairo newspaper AL-AKHBAR's report about an application allegedly made by Azerbaijan and Turkmenia for joining the OIC as observers and by Kyrgyzstan for the status of a guest.

Mr. Kuliyev said that the foreign ministers of Turkmenistan, Kyrgyzstan and Azerbaijan had met with the organization's secretary-general to discuss its activity and its members' responsibilities.

Talks between Turkmenistan and the OIC will be continued, said Mr. Kuliyev.

However, Turkmenistan's Muslim leader, Nasrullah Ibatullayev said that he knew nothing about Turkmenistan's contacts with this organization.

Uzbekistan

Intergovernmental Treaty Signed With Ukraine

OW2810131991 Moscow INTERFAX in English 1200 GMT 28 Oct 91

[Following item transmitted via KYODO]

[Text] A treaty outlining the basic principles of intergovernmental relations between Uzbekistan and the Ukraine was signed in Tashkent on Monday [28 October].

The treaty, signed by the Presidents Islam Karimov and Leonid Kravchuk, says the two republics recognize each other as sovereign states guaranteeing their citizens the internationally accepted minimum of rights and freedoms. There is a provision that until Uzbekistan is admitted to the United Nations, its interests there will be represented by the Ukraine.

The Uzbekistani-Ukrainian treaty was concluded for a term of 10 years and is subject to ratification.

Leaders Happy With Treaty

OW2810171291 Moscow INTERFAX in English 1440 GMT 28 Oct 91

[Transmitted via KYODO]

[Text] The leaders of the Ukraine and Uzbekistan have expressed satisfaction with the bilateral treaty they signed on Monday [28 October].

At a news conference in Tashkent today, the head of the Ukrainian Supreme Soviet Leonid Kravchuk said that the treaty was neither a substitute for nor a supplement to the Union agreement. "Until recently," he said, "the center decided everything. Now that the republics have proclaimed independence, they must deal with their problems themselves."

Uzbekistan President Islam Karimov said that the treaty had laid a solid basis for mutually beneficial relations with the Ukraine. Hopefully, he said, it would help put the declining production in both republics under control, and improve mutual goods supplies. Uzbekistan would receive sugar and other food products from the Ukraine already next year in exchange for "everything we are rich in."

Commenting on the problem of Crimean Tatars, Mr. Karimov said they had been offered good living conditions in Uzbekistan. Mr. Kravchuk complained of the Ukraine's inability at present to accommodate all the Crimean Tatars arriving from Uzbekistan or to meet all their needs.

Asked about their attitude to the opposition, the two leaders said they favored constructive cooperation with all parties and movements but warned that they would resolutely oppose any attempts to destabilize the situation in their republics.

Karimov Fears Economic 'Shock Treatment'

LD2610202191

[Editorial Report] Moscow Central Television First Program Network in Russian at 2055 GMT on 24 October carries a 15-minute "Topical Report" profiling the current situation in Uzbekistan. Over video of Tashkent street scenes, correspondent A. Tursunmetov.

Tursunmetov says some people say Uzbekistan is a communist oasis that is gradually becoming part of Islam. Clearly, he notes, the republic is living through a crucial year in its history. People complain about rising prices and government inaction, Tursunmetov maintains.

Tursunmetov's comments are followed by a recording of Uzbekistan President I.A. Karimov. Seated behind a desk, Karimov says:

"Shock treatment will not work in Uzbekistan. The Polish model will not work in Uzbekistan. Why not? In Uzbekistan, about 50 percent of the people live below the poverty line. The consumption budget is such that, if we do not guarantee a minimum, a minimum, of the consumption budget for these people, our old people, mothers with large families, women on low incomes and, in general, lonely people and those who just about make ends meet in the midst of hyperinflation, if we do not feed or clothe them, do not provide them with shoes in accordance with minimal standards, people will take to the streets and there will be neither Bolsheviks nor Mensheviks, neither radicals nor democrats.

"The family coefficient in Uzbekistan is roughly just over six. In other words, there are six dependents for every working person. For every person at work in the country (MN: as a whole), the coefficient stands at something like three. In other words, 2.5 people are fed by the labor of one working person. Name at least one other republic where such a proportion, about 50 percent, is made up of people who do not work, young people who have to be fed?

"We have many old people. We have our own tradition in these matters. We have 60 percent of the population living in the countryside.

"So shock treatment, the release of free prices, just letting prices drift at the mercy of the waves... [changes thought] tomorrow prices will rise so much, and the deficit.... [changes thought] Previously, one ruble was worth something like 80 kopeks here. Today one ruble is worth 16 kopeks. In other words, in your wallet, in your pocket, you carry one ruble, but its content, the goods you can buy, amounts to 16 kopeks. How are those poor people who live on a minimum pension to live? How?

"If we do not take account of these factors, if we do not make provision for these people, they will take to the streets, and they will need neither Communists nor Democrats. They'll crush everything.

"So I say that our specific features are special. From that point of view, we cannot agree to shock treatment as suggested by '500 Days,' and today there are elements of it in Yavlinskiy's document. I say that the Baltic republics will go their own way to the market, but Uzbekistan will go its own way."

Following Karimov's comments, the program presents a video report on customers' reaction to rising prices in Uzbekistan stores. A series of street interviews explores the indigenous population's willingness to welcome newcomers, the need for negotiated prices and for economic links with Russia.

The program then returns to the Karimov recording. Karimov says:

"Yes, demonstrations are banned in Uzbekistan, and it is said that this a violation of human rights. This involves many questions and claims, which we are addressing. It is claimed that I am a dictator, just because I have banned street demonstrations. Yet demonstrations are allowed inside premises. You just hand in an application, the city executive committee gives its permission, and away you go to stage it. Uzbekistan will not experience a second Fergana, and I state today, too, that Uzbekistan will not experience a second Fergana. If just one drop of blood is spilled somewhere, the blood of one baby, one child, no one will forgive that. In general, our life is not worth it, the life of that child."

Tursunmetov then concludes the program, commenting that the greatest enemy is the enemy within—racial hatred is endemic throughout the country and is responsible for the creation of totalitarian models of society.

Gorbachev Books Removed From Shop Shelves

LD2910093191 Moscow TASS International Service in Russian 0832 GMT 29 Oct 91

[Text] Moscow, 29 Oct (TASS)—Certain books and articles by Mikhail Gorbachev, former general secretary of the CPSU Central Committee and current USSR president, are being removed from sale in Uzbekistan in accordance with an instruction by the all-Union Soyuzkniga book trading association, reports PRAVDA today from Tashkent. The report does not say whether this instruction was issued only in Uzbekistan or whether it is intended for book shops throughout the country.

A collection of Mikhail Gorbachev's speeches and articles which was published with a circulation of 200,000 is being removed from sale, as are his works entitled: "Be Energetic, Don't Waste Time" [Aktivno Deystvovat, Ne Teryat Vremeni], "Restructure More Quickly, Act in a New Way" [Bystreye Perestraivatsya, Deystvovat Po Novomu], "Toward Full Power for the Soviets and the Creation of a Socialist, Law-Based State" [K Polnovlastiyu Sovetov i Sozdaniyu Sotsialisticheskogo Pravovogo Gosudarstva], and "A Fundamental Issue in the Party's Economic Policy" [Korennoy Vopros Ekonomicheskoy Politiki Partii]. These are mainly his addresses at CPSU Central Committee plenums starting in April 1985 and at congresses.

The works of Vladimir Kryuchkov, the former KGB chairman who is under investigation for the State Committee for the State of Emergency affair, and Yegor Ligachev, former party second in command, are also being removed from sale. The list includes 133 works, over half of which were written by Mikhail Gorbachev.